The Social Revolution

KARL KAUTSKY

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THE SOCIAL REVOLUTION

BY

KARL KAUTSKY

I. Reform and Revolution
II. The Day After the Revolution

TRANSLATED BY

A. M. and MAY WOOD SIMONS

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TRANSLATOR'S PREFACE

The greater part of the first half of this translation was already completed before the numbers of *Justice* containing the translation of J. B. Askew reached us. Hence little use could be made of that work. Some comparisons with the first few pages were made in the proofs, and a few alterations made in accordance with suggestions there received, for which we wish to give due credit. The present translation has also been compared with the French translation of the first part which appeared in Le Mouvemente Socialiste.

Finally we wish to extend our thanks to Comrade Kautsky for his kind permission to bring this translation of what we believe to be one of the most important contributions made to Socialist literature during the last decade before American readers.

A. M. Simons,
May Wood Simons.

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AUTHOR'S PREFACE

The following writings owe their existence to the action of a Socialist Reading Circle in Amsterdam, a society largely composed of Academics, who invited me to speak there and in Delft. Among the themes that I suggested was that of Social Revolution. But as the comrades in both cities selected the same theme, and I did not wish to repeat myself, I divided my subject into two essays practically independent from one another, but connected in their general thought, and called it "Reform and Revolution" and "On the Day After the Revolution."

The Society wished to publish these essays and naturally I had no reason to object to this, but in the interest of their circulation I proposed that they be issued by the German Party Publishing House, to which the Holland comrades very gladly agreed.

It is not a stenographic report of the lectures that is here given. I have included many lines of thought, in the writing which would have been too long to have given in the lectures. But in general I have kept within the limits of the lecture and have not sought to make a book of it.

The purpose of the work shows for itself and needs no explanation. It had a special application for Holland in that shortly before

my lectures, which took place on the 22d and 24th of April, 1902, the former minister Pierson had made an assertion in a public assemblage, and argued for it, that a proletarian revolution must, for certain necessary reasons, be avoided. My lectures form a direct answer to this. The Minister was, however, so friendly as to attend the second one, where he made industrious notes and did not offer a word against me.

Because of the predominating academic character of the public that attended, aside from local and propagandist reasons, I was led to choose the theme of Social Revolution for the lecture. The Academics are those among us who are least friendly to the idea of revolution, at least in Germany. All things considered, however, the case appeared somewhat different in Holland and the applause of my audience there very pleasantly surprised me. My assertions raised scarcely any antagonism, but only approval. I hope that this is not entirely because of international politeness. If not, Marxism has a body of strong representatives among the Academics of Holland.

I can wish nothing better than that my attempt should receive the same approval among German comrades that it has found among those of Holland, and I extend my thanks to the latter for the friendly reception they have given me in a very agreeable duty.

K. KAUTSKY.

THE SOCIAL REVOLUTION

THE CONCEPT OF SOCIAL REVOLUTION.

There are few conceptions over which there has been so much contention, as over that of revolution. This can partially be ascribed to the fact that nothing is so contrary to existing interests and prejudices as this concept, and partially to the fact that few things are so ambiguous.

As a rule, events can not be so sharply defined as things. Especially is this true of social events, which are extremely complicated, and grow ever more complicated the further society advances—the more various the forms of co-operation of humanity become. Among the most complicated of these events is the Social Revolution, which is a complete transformation of the wonted forms of associated activity among men.

It is no wonder that this word, which every one uses, but each one in a different sense, is sometimes used by the same persons at different times in very different senses. Some understand by Revolution barricades, conflagra-

tions of castles, guillotines, September massacres and a combination of all sorts of hideous things. Others would seek to take all sting away from the word and use it in the sense of great but imperceptible and peaceful transformations of society, like, for instance, those which took place through the discovery of America or by the invention of the steam engine. Between these two definitions there are many grades of meaning.

Marx, in his introduction to the "Critique of Political Economy," defines social revolution as a more or less rapid transformation of the foundations of the juridical and political superstructure of society arising from a change in its economic foundations. If we hold close to this definition we at once eliminate from the idea of social revolution "changes in the economic foundations," as, for example, those which proceeded from the steam engine or the discovery of America. These alterations are the causes of revolution, not the revolution itself.

But I do not wish to confine myself too strictly to this definition of social revolution. There is a still narrower sense in which we can use it. In this case it does not signify either the transformation of the juridical and political superstructure of society, but only some particular form or particular method of transformation.

Every socialist strives for social revolution

in the wider sense, and yet there are socialists who disclaim revolution and would attain social transformation only through reform. They contrast social revolution with social reform. It is this contrast which we are discussing today in our ranks. I wish here to consider social revolution in the narrow sense of a particular method of social transformation.

The contrast between reform and revolution does not consist in the application of force in one case and not in the other. Every juridical and political measure is a force measure which is carried through by the force of the State. Neither do any particular forms of the application of force, as, for example, street fights, or executions, constitute the essentials of revolution in contrast to reform. These arise from particular circumstances, are not necessarily connected with revolutions, and may easily accompany reform movements. The constitution of the delegates of the third Estate at the National Assembly of France, on June 17, 1789, was an eminently revolutionary act with no apparent use of force. This same France had, on the contrary, in 1774 and 1775, great insurrections for the single and in no way revolutionary purpose of changing the bread tax in order to stop the rise in the price of bread.

The reference to street fights and executions as characteristic of revolutions is, however, a clue to the source from which we can obtain important teachings as to the essentials of revolu-

tion. The great transformation which began in France in 1789 has become the classical type of revolution. It is the one which is ordinarily in mind when revolution is spoken of. From it we can best study the essentials of revolution and the contrast between it and reform. This revolution was preceded by a series of efforts at reform, among which the best known are those of Turgot. These attempts in many cases aimed at the same things which the revolution carried out. What distinguished the reforms of Turgot from the corresponding measures of the revolution? Between the two lay the conquest of political power by a new class, and in this lies the essential difference between revolution and reform. Measures which seek to adjust the juridical and political superstructure of society, to changed economic conditions, are reforms if they proceed from the class which is the political and economic ruler of society. They are reforms whether they are given freely or secured by the pressure of the subject class, or conquered through the power of circumstances. On the contrary, those measures are the results of revolution if they proceed from the class which has been economically and politically oppressed and who have now captured political power and who must in their own interest more or less rapidly transform the political and juridical superstructure and create new forms of social co-operation.

The conquest of the governmental power by

an hitherto oppressed class, in other words, a political revolution, is accordingly the essential characteristic of social revolution in this narrow sense, in contrast with social reform. Those who repudiate political revolution as the principal means of social transformation or wish to confine this to such measures as have been granted by the ruling class are social reformers, no matter how much their social ideas may antagonize existing social forms. On the contrary, any one is a revolutionist who seeks to conquer the political power for an hitherto oppressed class, and he does not lose this character if he prepares and hastens this conquest by social reforms wrested from the ruling classes. It is not the striving after social reforms but the explicit confining of one's self to them which distinguishes the social reformer from the social revolutionist. On the other hand, a political revolution can only become a social revolution when it proceeds from an hitherto socially oppressed class. Such a class is compelled to complete its political emancipation by its social emancipation because its previous social position is in irreconcilable antagonism to its political domination. A split in the ranks of the ruling classes, no matter even if it should take on the violent form of civil war, is not a social revolution. In the following pages we shall only discuss social revolution in the sense here defined.

EVOLUTION AND REVOLUTION.

A social reform can very well be in accord with the interests of the ruling class. It may for the moment leave their social domination untouched, or, under certain circumstances, can even strengthen it. Social revolution, on the contrary, is from the first incompatible with the interests of the ruling class, since under all circumstances it signifies annihilation of their power. Little wonder that the present ruling class continuously slander and stigmatize revolution because they believe that it threatens their position. They contrast the idea of social revolution with that of social reform, which they praise to the very heavens, very frequently indeed without ever permitting it to become an earthly fact. The arguments against revolution are derived from the present ruling forms of thought. So long as Christianity ruled the minds of men the idea of revolution was rejected as sinful revolt against divinely constituted authority. It was easy to find proof texts for this in the New Testament, since this was written at the time of the Roman Empire, during an epoch in which every revolt against the ruling powers appeared hopeless, and all independent political life had ceased to exist. The revolutionary classes, to be sure, replied with quotations from the Old Testament, in which there still lived much of the spirit of a primitive pastoral democracy. When once the

judicial manner of thought displaced the theological, a revolution was defined as a violent break with the existing legal order. No one, however, could have a right to the destruction of rights, a right of revolution was an absurdity, and revolution in all cases a crime. But the representatives of the aspiring class placed in opposition to the existing, historically descended right, the right for which they strove, representing it as an eternal law of nature and reason, and an inalienable right of humanity. The re-conquest of these latter rights, that plainly could have been lost only through a violation of rights, was itself impossible without a violation of rights, even if they came as a result of revolution.

To-day the theological phrases have lost their power to enslave, and, most of all, among the revolutionary classes of the people. Reference to historical right has also lost its force. The revolutionary origin of present rights and present government is still so recent that their legitimacy can be challenged. Not alone the government of France, but the dynasties of Italy, Spain, Bulgaria, England and Holland, are of revolutionary origin. The kings of Bavaria and Wurtemburg, the grand duke of Baden and Hesse, owe, not simply their titles, but a large share of their provinces, to the protection of the revolutionary *parvenu* Napoleon; the Hohenzollerns attained their present positions over the ruins of thrones, and even the

Hapsburgers bowed before the Hungarian revolution. Andrassy, who was hung in effigy for high treason in 1852, was an imperial minister in 1867, without proving untrue to the ideas of the national Hungarian revolution of 1848.

The bourgeoisie was itself actively engaged in all these violations of historical rights. It cannot, now, since it has become the ruling class, well condemn revolution in the name of this right to revolution, even if its legal philosophy does everything possible to reconcile natural and historical rights. It must seek more effective arguments with which to stigmatize the revolution, and these are found in the newly-arising natural science with its accompanying mental attitude. While the bourgeoisie were still revolutionary, the catastrophic theory still ruled in natural science (geology and biology). This theory proceeded from the premise that natural development came through great sudden leaps. Once the capitalist revolution was ended, the place of the catastrophic theory was taken by the hypothesis of a gradual imperceptible development, proceeding by the accumulation of countless little advances and adjustments in a competitive struggle. To the revolutionary bourgeoisie the thought of catastrophes in nature was very acceptable, but to the conservative bourgeoisie these ideas appeared irrational and unnatural.

Of course I do not assert that the scientific investigators had all their theories determined

by the political and social needs of the bourgeoisie. It was just the representatives of the catastrophe theories who were at the same time most reactionary and least inclined to revolutionary views. But every one is involuntarily influenced by the mental attitude of the class amid which he lives and carries something from it into his scientific conceptions. In the case of Darwin we know positively that his natural science hypotheses were influenced by Malthus, that decisive opponent of revolution. It was not wholly accidental that the theories of evolution (of Darwin and Lyell) came from England, whose history for 250 years has shown nothing more than revolutionary beginnings, whose point the ruling class have always been able to break at the opportune moment.

The fact that an idea emanates from any particular class, or accords with their interests, of course proves nothing as to its truth or falsity. But its historical influence does depend upon just these things. That the new theories of evolution were quickly accepted by the great popular masses, who had absolutely no possibility of testing them, proves that they rested upon profound needs of those classes. On the one side these theories—and this gave them their value to the revolutionary classes—abolished in a much more radical manner than the old catastrophic theories, all necessity of a recognition of a supernatural power creat-

ing a world by successive acts. On the other side—and this pleased most highly the bourgeoisie—they declared all revolutions and catastrophies to be something abnormal, contrary to the laws of nature, and wholly absurd. Whoever seeks to-day to scientifically attack revolution does it in the name of the theory of evolution, demonstrating that nature makes no leaps, that consequently any sudden change of social relations is impossible; that advance is only possible through the accumulation of little changes and slight improvements, called social reforms. Considered from this point of view revolution is an unscientific conception about which scientifically cultured people only shrug their shoulders.

It might be replied that the analogy between natural and social laws is by no means perfect. To be sure, our conception of the one will unconsciously influence our conception of the other sphere as we have already seen. This is however, no advantage and it is better to restrain rather than favor this transference of laws from one sphere to another. To be sure, all progress in methods of observation and comprehension of any one sphere can and will improve our methods and comprehension in others, but it is equally true that within each one of these spheres there are peculiar laws not applying to the others.

First of all must be noted the fundamental distinction between animate and inanimate na-

ture. No one would claim on the ground of external similarity to transfer without change a law which applied to one of these spheres to the other. One would not seek to solve the problem of sexual reproduction and heredity by the laws of chemical affiliation. But the same error is committed when natural laws are applied directly to society, as for example when competition is justified as a natural necessity because of the law of the struggle for survival, or when the laws of natural evolution are invoked to show the impossibility of social revolution.

But there is still more to be said in reply. If the old catastrophic theory is gone forever from the natural sciences, the new theory which makes of evolution only a series of little, insignificant changes meets with ever stronger objections. Upon one side there is a growing tendency toward quietistic, conservative theories that reduce evolution itself to a minimum, on the other side facts are compelling us to give an ever greater importance to catastrophes in natural development. This applies equally to the geological theories of Lyell and the organic evolution of Darwin.

This has given rise to a sort of synthesis of the old catastrophic theories and the newer evolutionary theories, similar to the synthesis that is found in Marxism. Just as Marxism distinguishes between the gradual economic development and the sudden transformation of

the juridical and political superstructure, so many of the new biological and geological theories recognize alongside of the slow accumulation of slight and even infinitesimal alterations, also sudden profound transformations—catastrophies—that arise from the slower evolution.

A notable example of this is furnished by the observations of de Bries reported at the last Congress of Natural Sciences held at Hamburg. He has discovered that the species of plants and animals remain unchanged through a long period; some of them finally disappear, when they have become too old to longer adapt themselves to the conditions of existence, that have in the meantime been changing. Other species are more fortunate; they suddenly "explode," as he has himself expressed it, in order to give life to countless new forms, some of which continue and multiply, while the others, not being adapted to the conditions of existence, disappear.

I have no intention of drawing a conclusion in favor of revolution from these new observations. That would be to fall into the same error as those who argue to the rejection of revolution from the theory of evolution. But these observations at least show that the scientists are themselves not wholly agreed as to the part played in organic and geologic development by catastrophies, and for this reason it would be an error to attempt to draw from either of these hypotheses any fixed conclusions

as to the role played by revolution in social development.

If in spite of these facts such conclusions are still insisted upon, then we can reply to them with a very popular and familiar illustration, which demonstrates in an unmistakable manner that nature does make sudden leaps: I refer to the act of birth. The act of birth is a leap. At one stroke a fetus, which had hitherto constituted a portion of the organism of the mother, sharing in her circulation, receiving nourishment from her, without breathing, becomes an independent human being, with its own circulatory system, that breathes and cries, takes its own nourishment and utilizes its digestive tract.

The analogy between birth and revolution, however, does not rest alone upon the suddenness of the act. If we look closer we shall find that this sudden transformation at birth is confined wholly to functions. The organs develop slowly, and must reach a certain stage of development before that leap is possible, which suddenly gives them their new functions. If the leap takes place before this stage of development is attained, the result is not the beginning of new functions for the organs, but the cessation of all functions—the death of the new creature. On the other hand, the slow development of organs in the body of the mother can only proceed to a certain point, they cannot begin their new functions without the

revolutionary act of birth. This becomes inevitable when the development of the organs has attained a certain height.

We find the same thing in society. Here also the revolutions are the result of slow, gradual development (evolution). Here also it is the social organs that develop slowly. That which may be changed suddenly, at a leap, revolutionarily, is their functions. The railroad has been slowly developed. On the other hand, the railroad can suddenly be transformed from its function as the instrument to the enrichment of a number of capitalists, into a socialist enterprise having as its function the serving of the common good. And as at the birth of the child, all the functions are simultaneously revolutionized—circulation, breathing, digestion—so all the functions of the railroad must be simultaneously revolutionized at one stroke, for they are all most closely bound together. They cannot be gradually and successively socialized, one after the other, as if, for example, we would transform to-day the functions of the engineer and fireman, a few years later the ticket agents, and still later the accountants and book-keepers, and so on. This fact is perfectly clear with a railroad, but the successive socialization of the different functions of a railroad is no less absurd than that of the ministry of a centralized state. Such a ministry constitutes a single organism whose organs must co-operate. The functions of one of these organs

cannot be modified without equally modifying all the others. The idea of the gradual conquest of the various departments of a ministry by the Socialists is not less absurd than would be an attempt to divide the act of birth into a number of consecutive monthly acts, in each of which one organ only would be transformed from the condition of a fetus to an independent child, and meanwhile leaving the child itself attached to the navel cord until it had learned to walk and talk.

Since neither a railroad nor a ministry can be changed gradually, but only at a single stroke, embracing all the organs simultaneously, from capitalist to socialist functions, from an organ of the capitalist to an organ of the laboring class, and this transformation is possible only to such social organs as retain a certain degree of development, it may be remarked here that with the maternal organism it is possible to scientifically determine the moment when the degree of maturity is attained, which is not true of society.

On the other hand, birth does not mark the conclusion of the development of the human organism, but rather the beginning of a new epoch in development. The child comes now into new relations in which new organs are created, and those that previously existed are developed further in other directions; teeth grow in the mouth, the eyes learn to see; the hands to grasp, the feet to walk, the mouth to

speak, etc. In the same way a social revolution is not the conclusion of social development, but the beginning of a new form of development. A socialist revolution can at a single stroke transfer a factory from capitalist to social property. But it is only gradually, through a course of slow evolution, that one may transform a factory from a place of monotonous, repulsive, forced labor into an attractive spot for the joyful activity of happy human beings. A socialist revolution can at a single stroke transform the great bonanza farms into social property. In that portion of agriculture where the little industry still rules, the organs of social and socialist production must be first created, and that can come only as a result of slow development.

It is thus apparent that the analogy between birth and revolution is rather far reaching. But this naturally proves nothing more than that one has no right to appeal to nature for proof that a social revolution is something unnecessary, unreasonable, and unnatural. We have also, as we have already said, no right to apply conclusions drawn from nature directly to social processes. We can go no further upon the ground of such analogies than to conclude: that as each animal creature must at one time go through a catastrophe in order to reach a higher stage of development (the act of birth or of the breaking of a shell), so society can only be raised to a higher stage of development through a catastrophe.

REVOLUTIONS IN ANTIQUITY AND THE MIDDLE AGES.

Any definite conclusion as to whether revolution is a necessity or not can be drawn only from an investigation of the facts of social development, and not through analogies with natural science. It is only necessary to glance at these earlier stages of development in order to see that social revolution, in the narrow sense in which we are here using it, is no necessary accompaniment of social development. There was a social development and a very far-reaching one before the rise of class antagonisms and political power. In these stages the conquest of political power by an oppressed class, and consequently a social revolution, was as a matter of course impossible.

Even after class antagonisms and political power have arisen it is a long time before we find, either in antiquity or the Middle Ages, anything which corresponds to our idea of revolution. We find plenty of examples of bitter class struggles, civil wars and political catastrophies, but none of these brought about a fundamental and permanent renovation of the conditions of property and therewith a new social form.

To my mind the reasons for this are as follows: In antiquity and also in the Middle Ages the center of gravity of the economic and also of the political life lay in the community.

Each community was sufficient in itself in all essential points and was only attached to the exterior world through loose bands. The great states were only conglomerates of communities which were held together only through either a dynasty or through another ruling and exploiting community. Each community had its own special economic development corresponding to its own peculiar characteristics and corresponding to these also its special class struggles. The political revolutions also at that time were chiefly only communal revolutions. It was as a matter of course impossible to transform the whole social life of a great territory by a political revolution.

The smaller the number of individuals in a social movement the less there is of a real social movement; the less there is of the universal and law creating, and the more the personal and the accidental dominate. This increased the diversity of the class struggles in the different communities. Because in the class struggle no movement of the masses could appear, because the general was concealed in the accidental and the personal, there could be no deep recognition of social causes and the goals of class movements. However great the philosophy created by the Greeks, the idea of a scientific national economy was foreign to them. Aristotle supplies only outlines of such a system. The Greeks and Romans on the economic field produced only practical instruc-

tions for domestic economy, or for agricultural industries, such as those composed by Xenophon and Varro.

While the deeper social causes that gave rise to the condition of individual classes remained concealed and were veiled by the acts of individual persons and local peculiarities, it was not to be wondered at that the oppressed classes also, as soon as they had conquered political power, used it first of all to get rid of individuals and local peculiarities and not to establish a new social order.

The most important obstacle in the road to any revolutionary movements at this time was the slowness of economic development. This proceeded imperceptibly. Peasants and artisans worked as their grandfathers and great-grandfathers had been accustomed to work. The ancient, the customary, was the only good and perfect thing. Even when one sought to create something new, he endeavored to prove to others that it was really a return to some forgotten tradition. Technical progress did not in itself compel new forms of property for it consisted only in increasing social division of labor, in the division of one trade into many. But, in each of the new trades, hand work was still fundamental, the means of production were insignificant, and the decisive element was manual skill. To be sure, in the last years of antiquity, we find beside the peasants and the artisans great businesses (even industrial establish-

ments), but these were operated by slaves who were considered as aliens outside of the community life. These industries produced only luxuries and could develop no special economic strength, except temporarily in times of great wars which weakened agriculture and made slave material cheap. A high economic form and a new social ideal cannot arise upon a slave economy.

The single form of capital which was developed in antiquity and the Middle Ages was usury and commercial capital. Both of these may, at times, bring about rapid economic changes. But commercial capital could only further the division of the old trades into countless new ones and the advance of the great industry dependent on slave labor. Usurious capital operated simply to stunt existing forms of production without creating new ones. The struggle against usurious capital and against the great agricultural industries which were operated by slaves led to occasional political struggles very similar to the social revolutions of our time. But the goal of these was always only the restoration of an earlier condition and not a social renovation. Such was the case in the liquidation of debts brought about for the Greek peasants, by Solon, and in the movements of the Roman peasants and proletarians from which the Gracchi receive their name. To all of these causes—slowness of economic development, lack of recognition of deeper social rela-

tions, division of political life into countless differing communities, must be added the fact that in classical antiquity and many times also in the Middle Ages, the means for the suppression of a rising class were relatively insignificant. There were no bureaucracies, or at least never where there was the most active political life, and where the class struggle was most fiercely waged. In the Roman world, for example, bureaucracy was first developed under the empire. The internal relations of communities as well as their commerce with each other were simple, easy to comprehend and presupposed no expert knowledge. The governing classes could easily secure the necessary governing officials out of their own number, and this is all the more true in that at that time the governing class was also accustomed to engage in artistic, philosophic and political activity. The ruling class did not simply reign, it also governed.

On the other side the mass of the people were not wholly defenceless. It was in just the golden age of classical antiquity that the militia system was the rule, under which every citizen was armed. Under those conditions a very slight alteration in the balance of power of classes was sufficient to bring a new class into control. Class antagonisms could not well reach such a height that the idea of a complete transformation of all existing institutions could become firmly rooted in the minds of an

oppressed class, and, moreover, in these oppressed classes, stubborn clinging to all privileges was the rule. As has already been noted this operated to confine political revolution almost wholly to the abolition of individual abuses and the removal of individual persons. This condition also assisted in the avoidance through compromise of all forms of revolution.

Among the great nations of modern times England is the one which most resembles the Middle Ages, not economically, but in its political form. Militarism and bureaucracy are there the least developed. It still possesses an aristocracy that not only reigns but governs. Corresponding to this, England is the great modern nation in which the efforts of the oppressed classes are mainly confined to the removal of particular abuses instead of being directed against the whole social system. It is also the State in which the practice of protection against revolution through compromise is farthest developed.

If the universal armament of the people did not encourage great social revolutions, it did make it much easier for armed conflict between the classes to arise at the slightest opportunity. There is no lack of violent uprisings and civil wars in antiquity and the Middle Ages. The ferocity with which these were fought was often so great as to lead to the expulsion, expropriation and oftentimes to the extermination of the conquered. Those who consider violence as a

sign of social revolution will find plenty of such revolutions in earlier ages. But those who conceive social revolution as the conquest of political power by a previously subservient class and the transformation of the juridical and political superstructure of society, particularly in the property relations, will find no social revolution there. Social development proceeded piece-meal, step by step, not through single great catastrophies but in countless little broken-up, apparently disconnected, often interrupted, ever renewing, mostly unconscious movements. The great social transformation of the times we are considering, the disapperance of slavery in Europe, came about so imperceptibly that the contemporaries of this movement took no notice of it, and one is to-day compelled to reconstruct it through hypotheses.

SOCIAL REVOLUTION UNDER CAPITALISM.

Things took on a wholly different aspect as soon as the capitalist method of production was developed. It would lead us too far and would be only to repeat things well known if I were here to go into the mechanism of capitalism and its consequences. Suffice it to say that the capitalist method of production created the modern State, made an end to the political independence of communities and at the same time their economic independence ceased, each became part of a whole, and lost its special

rights and special peculiarities. All were reduced to the same level, all were given the same laws, the same taxes, same courts, and were made subject to the same government. The modern State was thus forced to become a National State and added to the other equalities the equality of language.

The influence of governmental power upon the social life was now something wholly different from what it was through antiquity or the Middle Ages. Every important political change in a great modern State influences at once with a single stroke and in the profoundest manner an enormous social sphere. The conquest of political power by a previously subject class must, on this account, from now on, have wholly different social results than previously.

As a result the power at the disposal of the modern State has grown enormously. The technical revolution of capitalism reaches also to the technique of arms. Ever since the Reformation the weapons of war have become more and more perfect, but also more costly. They thus become a privilege of governmental power. This fact alone separates the army from the people, even in those places where universal conscription prevails, unless this is supplemented by popular armament, which is not the case in any great State. Most important of all, the leaders of the army are professional soldiers separated from the people, to whom they stand opposed as a privileged class.

The economic powers also of the modern centralized State are enormous when compared with those of the earlier States. They comprehend the wealth of a colossal sphere whose technical means of production leave the higher culture of antiquity far behind.

The modern State also possesses a bureaucracy far more centralized than that of any previous State. The problems of the modern State have grown so enormously that it is impossible to solve them without an extensive division of labor and a high grade of professional knowledge. The capitalist manner of production robs the ruling class of all the leisure that they previously had. Even, if they do not produce but are living from the exploitation of the producing classes, still they are not idle exploiters. Thanks to competition, the motive force of present economic life, the exploiters are continuously compelled to carry on an exhausting struggle with each other, which threatens the vanquished with complete annihilation.

The capitalists have therefore neither time nor leisure, nor the previous culture necessary for artistic and scientific activity. They lack even the necessary qualifications for regular participation in governmental activities. Not only in art and science but also in the government of the State the ruling class is forced to take no part. They must leave that to wage-workers and bureaucratic employees. The capitalist class reigns but does not govern. It

is satisfied, however, to rule the government.

In the same way the decaying feudal nobility before it, satisfied itself by taking on the forms of a royal nobility. But while with the feudal nobility the renunciation of its social functions was the product of corruption, with the capitalists this renunciation arises directly from their social functions and is an essential part of their existence.

With the help of such a powerful government a class can long maintain itself, even if it is superfluous. Yes, even if it has become injurious. And the stronger the power of the State, just so much the more does the governing class rest upon it, just so much more stubbornly will it cling to its privileges and all the less will it be inclined to grant concessions. The longer, however it maintains its domination in this manner, the sharper become class antagonisms, the more pronounced must be the political collapse when it finally does come, and the deeper the social transformation that arises out of it, and the more apt the conquest of political power by an oppressed class to lead to revolution.

Simultaneously the warring classes become more and more conscious of the social consequences of their political struggle. The capitalist system of production tends to greatly accelerate the march of economic evolution. The economic transformation for which the century of invention has prepared the way is continued

by the introduction of machines into industry. Since their introduction our economic relations are subject to continual change, not only by the rapid dissolution of the old but by the continuous creation of the new. The idea of the old, of the past, ceases to be equivalent to the tested, to the honorable, to the inviolable. It becomes synonymous with the imperfect and the outgrown. This idea is transplanted from the economic life into the field of art and science and politics. Just as in earlier days people clung without reason to the old, so to-day one gladly throws the old aside without reason just because it is old. And the time which is necessary in order to make a machine, an institution, a theory outgrown becomes ever shorter. And if in former days men worked with the intention of building for eternity with all the devotedness that flows from such a consciousness, so to-day one works for the fleeting effect of a moment with all the frivolity of this consciousness. So that the creation of to-day is within a short time not simply unfashionable but also useless.

The new is, however, just that thing that one observes, criticizes and investigates the most closely. The ordinary and the commonplace pass as a matter of course. Mankind studied the causes of eclipse much earlier than the rising and setting of the sun. In the same way the incentive to investigate the laws of social phenomena was very slight so long as these phe-

nomena were the ordinary, the matter-of-course, the "natural." This incentive must at once be strengthened as soon as new, hitherto unheard of formations appeared in the social life. It was not the old hereditary feudal economics, but rather the newly appearing capitalist economics that first roused scientific observation at the beginning of the seventeenth century.

Economic science was encouraged still more by another motive. Capitalist production is mass production, social production. The typical modern capitalist state is the great state. Modern economics, like modern politics, must deal with mass phenomena. The larger the number of similar appearances that one observes, the greater the tendency to notice the universal—those indicating a social law—and the more the individual and the accidental disappear, the easier it is to discover the laws of social movements. The mathematical mass-observation of social phenomena, statistics, and the science of society that rises from political economy and reaches its highest point in the materialistic conception of history, has only been possible in the capitalist stage of production. Now for the first time classes could come to the full consciousness of the social significance of their struggles, and for the first time set before themselves great social goals, not as arbitrary dreams and pious wishes destined to be shattered on the hard facts, but as results of scientific insight into economic possibilities

and necessities. To be sure this scientific thought can err, many of its conclusions can be shown to be illusions. But however great these errors may be, it cannot be deprived of the characteristic of every true science, the striving after a uniform conception of all phenomena under an indisputable whole. In social science this means the recognition of the social whole as a single organism in which one cannot arbitrarily and for itself alone change any single part. The socially oppressed class no longer directs its theoretical criticism against individual persons and tendencies, but against the total existing society. And just because of this fact every oppressed class which conquers political power is driven to transform the whole social foundations.

The capitalist society which sprang from the revolution of 1789 and its outcome was foreseen in its fundamental outlines by the physiocrats and their English followers.

Upon this distinction between the modern states and society and the organizations of antiquity and the Middle Ages rests the difference in the manner of their development. The former was predominantly unconscious, split up into local and personal strifes and the rebellion of countless little communities at different stages of development; the latter grows more and more self-conscious and strives towards a great recognized social goal which has been determined and is propagated by scientifically criti-

cal work. Political revolutions are less frequent, but more comprehensive and their social results more extensive.

The transition from the civil wars of antiquity and the Middle Ages to social revolutions in the previously used sense of the word was made by the Reformation, which belonged half to the Middle Ages and half to modern times. On a still higher stage was the English revolution of the middle of the seventeenth century, and finally the great French revolution becomes the classical type of social revolution, of which the uprisings of 1830 and 1848 were only faint echoes.

Social revolution in the sense here meant is peculiar to the stage of social development of capitalist society and the capitalist state. It does not exist previous to capitalism, because the political boundaries were too narrow and social consciousness too undeveloped. It will disappear with capitalism because this can only be overthrown by the proletariat, which as the lowest of all social classes can use its domination only to abolish all class domination and classes and therewith also the essential conditions of social revolution.

There now arises a great question, a question that to-day affects us profoundly, because it has the greatest influence upon our political relations to the present: Is the time of social revolution past or not? Have we already the political conditions which can bring about a

transition from capitalism to socialism without political revolution, without the conquest of political power by the proletariat, or must we still expect an epoch of decisive struggles for the possession of this power and therewith a revolutionary epoch? Does the idea of social revolution belong with those antiquated ideas which are held only by thoughtless echoers of outgrown conceptions or by demagogical speculators upon the applause of the unthinking masses, and which every honest modern person who dispassionately observes the facts of modern society must put aside?

That is the question. Certainly an important question which a couple of phrases will not serve to dismiss.

We have discovered that social revolution is a product of special historical conditions. They presuppose, not simply a highly developed class-antagonism, but also a great national state rising above all provincial and communal peculiarities, built upon a form of production that operates to level all local peculiarities, a powerful military and bureaucratic state, a science of political economy and a rapid rate of economic progress.

None of these factors of social revolution have been decreasing in power during the last decade. Many of them, on the contrary, have been much strengthened. Never was the rate of economic development more rapid. Scientific economics make, at least, a great extensive, if not intensive

growth, thanks to the newspapers. Never was economic insight so broadly dispersed; never was the ruling class, as well as the mass of people, so much in a condition to comprehend the far-reaching consequences of its acts and strivings. This alone proves that we shall not make the tremendous transition from capitalism to socialism unconsciously, and that we cannot slowly undermine the dominion of the exploiting class without this class being conscious of this, and consequently arming themselves and using all their powers to suppress the strength and influence of the growing proletariat.

If, however, the insight into social relations was never so extensive as to-day, it is equally true that the governmental power was never so strong as now, nor the military, bureaucratic and economic forces so powerfully developed. It follows from this that the proletariat, when it shall have conquered the governmental powers, will have thereby attained the power to at once bring about most extensive social changes. It also follows from this that the personal governing class with the help of these powers can continue its existence and its plundering of the laboring class long after its economic necessity has ceased. The more, however, that the ruling classes support themselves with the State machinery and misuse this for the purposes of exploitation and oppression, just so much more must the bitterness of the proletariat against them increase, class hatred grow, and the efforts

to conquer the machinery of State increase in intensity.

To be sure it has been claimed that this comprehension of the newest socialist phenomena does not take account of the undeniable fact that the development proceeds in other directions also. It is claimed also that the contrast between proletariat and bourgeoisie is not increasing, and in every modern State there are enough democratic arrangements to make it possible for the proletariat, if not to gain *the* power, still to gain *power* gradually, step by step and steadily increasing, so that the necessity of a social revolution ceases. Let us see in how far these exceptions are justified.

THE SOFTENING OF CLASS ANTAGONISMS.

Let us turn next to the first objection that the social antagonism between bourgeoisie and proletariat is diminishing. I do not here refer to the question of industrial crises whose amelioration was claimed a few years ago. This idea has been so energetically confuted since then by notorious facts that I only need to refer to it here without attempting to enter upon a discussion which would lead us too far away. I do not wish either to make any further contribution to the debate over the already over-discussed, so-called theory of increasing misery, which, with a sort of cleverness, when one desires, can be endlessly spun out and which with us has more and more tended to turn on the definition of the word "misery" than on the determination of

definite facts. Socialists are all agreed that the capitalist manner of production when unhindered has as a result an increase of physical misery. They are also agreed that in present society the organization of the laboring class and the capture of governmental powers has attained a height where it is able to somewhat ameliorate this misery. Finally they are agreed that the emancipation of the laboring class is not to be expected from its increasing demoralization, but from its increasing strength.

The question of the antagonism between the bourgeoisie and proletariat is a wholly different one. It is primarily a question of increasing exploitation.

That this does increase Marx proved a generation ago, and to my mind no one has yet confuted him. Whoever denies the increasing exploitation of the proletariat must, first of all, set about a refutation of Marx's Capital.

To be sure it will be at once replied that this is purely theory and that for us nothing is to be held as true and proven that we cannot grasp with the hands. We are not given economical laws, but only statistical figures. These are not so easily to be discovered for, as yet, no one has been pleased to set forth the amounts, not simply of the wages, but also of the profits in a statistical form, because of the fact that the fire-proof safes are a castle which even the cowardly and benevolent bourgeois will defend like a lion against every administrative attack.

Meanwhile, there are calculations upon the growth of wages and other incomes. One of these, the latest that I know of, is given herewith:

Year.	Total Annual Wage Income.		Income Not Arising From Wages.			
			Subject to Income Tax.		Not Subject to Income Tax.	
	Million Pounds Sterling.	Per Cent of Total Social Income.	Million Pounds Sterling.	Per Cent of Total Social Income.	Million Pounds Sterling.	Per Cent of Total Social Income.
1860	392	47	376	45⅓	64	7⅔
1865	464	45	485	47	91	8
1870	486	44½	521	48	85	7½
1874	609	45¼	635	47¼	100	7½
1877	591	43	652	47½	130	9½
1880	567	42	652	48½	126	9½
1883	609	42¾	696	49	122	8½
1886	605	42	715	49½	125	8½
1891	699	43½	782	48½	130	8

Many observations can be offered against this presentation. It appears to me too optimistic and gives the appearance of a much greater increase in wages than actually exists. In the reckoning of the total wages the compiler took no notice of the unemployed and besides this he omitted to note a whole list of important variations inside of the laboring class which, if considered, would greatly change the result. As a statistician, to be sure, he undoubtedly has the right to do this, but these are just the factors that change things to the disadvantage of the laboring class. Such are, for example, the relation between male and female labor and between skilled and unskilled labor.

Of still greater consequence is the fact that

the calculation confines itself to a few branches of labor, all of which, with the exception of the farm laborers, are extremely well organized economically. The author has then, without further consideration, concluded that the condition of the whole laboring class has risen at the same average rate as that of these organized laborers which, even in England, did not include at the highest calculation more than one-fifth of all laborers. So it is not without interest that we observe the changes in wages in each of these categories of labor:—

	1860	1866	1870	1874	1877	1880	1[illegible]	1886	[illegible]91
Agricultural Laborers..	100	105	107	130	132	122	117	111	11[illegible]
Building Trades.....	100	116	116	126	128	125	12[illegible]	12[illegible]	1[illegible]
Cotton Workers.....	100	125	125	148	148	[illegible]	1	155	1
Woolen Workers.....	100	106	112	121	130	1	120	1[illegible]5	1[illegible]
Iron Workers.	100	127	127	143	112	112	110	10	12[illegible]
Machinists.....	100	108	110	124	1[illegible]	120	127	12	12[illegible]
Gas Workers.....	100	115	120	125	128	128	1[illegible]0	130	14[illegible]
Sailors	100	113	103	129	123	102	1[illegible]8	110	1[illegible]
Miners.....	100	?	100	150	115	100	115	100	150
Average	100	113	113	138	132	124	130	125	140

We see that the increase in wages of 40 per cent from 1860 to 1891 that Bowley calculates for the whole laboring class of England, does not even hold for the whole aristocracy of labor. With the exception of the cotton workers who have not vainly been the conservatives of England and the model children of all dreamers of "social peace," the average of 1891 was only exceeded by the gas workers, the sailors and the miners. The gas workers owe their increase, in

part, at least, to politicians, for in the larger cities municipalization has brought many improvements. With the gas workers also considerations of competition and exploitation by private capital are of least importance. In part, also, the upward leap of 1891 as well as the sudden appearance of the "new Unionism" which gave rise to such far-reaching hopes has now run into the ground. More even than with the gas workers the rise of wages in 1891 for the sailors and miners appears wholly abnormal and temporary. With the miners the wages of 1886 were the same as those of 1860, but by 1891 they were 50 per cent higher. One cannot consider this as a secure advance. With the wood workers, the woolen workers and the laborers in the iron industry, the increase of wages since 1860 is far less. Bowley would also have us believe that the wages of the unorganized laborers of England had risen 40 per cent during the same time in which the well organized iron workers had only increased 25 per cent.

But let us take the table as it is. What does it really prove? Even by this extraordinarily optimistic presentation wages are becoming an ever smaller portion of the social income. From 1860 to 1874 the average rate of increase was 45 per cent; from 1877 to 1891 only 42⅔ per cent. If we place in opposition to this, in lack of more reliable figures, the total of the income tax that did not arise from wages but from sur-

plus values then in 1860 this would be eighty million dollars less than the sum of the wages. In 1891 the amount of surplus values exceeded the sum of wages by the significant sum of not less than four hundred million dollars.

This certainly signifies a considerable increase in exploitation. The rate of surplus value, that is to say, the rate of exploitation of the laborer, has accordingly risen during this time from 96 per cent to 112 per cent. Actually, even according to Bowley's figures, exploitation has at least grown very fast among the best organized laborers. The exploitation of the masses of unorganized must have reached a much higher degree.

We do not lay any great stress upon these figures. But as far as they show anything, they speak for, not against, the claim of the increasing exploitation of labor power, that Marx has proven in another way, by examination of the laws of movements, the capitalist system of production, and which has not yet been disproved. To be sure, one can say: Granted that exploitation increases, but wages increase also, even if not to the same degree as surplus values. How then shall the laborer discover this increasing exploitation if it is not plainly evident, but is only to be discovered by painstaking investigation? The mass of the laborers do not study statistics or think about theories of value and profit.

This may be granted. But there is a way in

which the increase of exploitation can be made perceptible to the laborers. In the same degree that the mass of profit rises, the standard of living of the bourgeoisie rises also. But the classes are not divided from one another by impenetrable walls. The rising standard of life of the upper class oozes down through to those beneath and wakens in them new needs and demands to the satisfaction of which the slowly growing wage is by no means satisfactory. The bourgeoisie whine about the disappearance of modesty in the lower classes and about their increasing enviousness, and forget that the growing demands from below are only the reflex of the rising standard of life above, which furnishes the example and rouses the envy of the lower class.

That the capitalist standard of living grows faster than that of the proletariat is self-evident. The laborer's dwelling has not been greatly improved in the last fifty years. But the dwelling places of the bourgeoisie are gorgeous in comparison with the average capitalist house of fifty years ago. The third-class railroad carriage of to-day and the one of fifty years ago differ but little in their interior equipments. But when we compare the first-class railroad carriage of the middle of the nineteenth century with the palace car of the modern train! I do not believe that the sailors in the Transatlantic ships are much better cared for to-day than fifty years ago, while the luxuries to be found in the

salon of the modern passenger steamer would have been unheard of fifty years ago even in a royal pleasure yacht.

So much for the increasing exploitation of the proletariat. But is not this economic factor counterbalanced by the increasing political approach of the classes? Do not the bourgeoisie more and more recognize the laborer as their political and social equals?

There is no doubt that the proletariat is gaining rapidly in political and social respects.

If its rise in economic relations remains behind that of the bourgeoisie, this gives rise to a continually increasing enviousness and discontent. Perhaps the most striking phenomenon of the last fifty years is the rapid and unbroken rise of the proletariat in moral and intellectual relations.

Not many decades ago the proletariat was so low that there were even socialists that expected the worst results for culture from the conquest of the proletariat. In 1850 Rodbertus wrote: "The most threatening danger at present is that we shall have a new barbarian invasion, this time coming from the interior of society itself to lay waste custom, civilization and wealth."

At the same time Heinrich Heine declared that the future belonged to the communist. "This confession, that the future belongs to the communist, I make in sorrow and greatest anxiety. This is in no way a delusion. In fact,

it is only with fear and shuddering that I think of the epoch when these dark iconoclasts come to power; with their callous hands they will destroy all the marble statues of beauty, etc."

Undeniably it has now become wholly different. It is not by the proletariat that modern civilization is threatened. It is those very communists who to-day constitute the safe refuge of art and science, for which they stand in the most decisive manner.

So it is that the fear is rapidly disappearing, which after the Paris Commune dominated the whole capitalist class; the fear that the conquering proletariat would come into our culture like the Vandals in their race migrations and on its ruins found a government of barbaric ascetics.

It is partially owing to the disappearance of this fear that sympathy with the proletariat and with socialism is on the increase among the bourgeois intellectuals.

Like the proletariat, class intelligence is a peculiarity of the capitalist system of production. I have already shown that this system makes such demands upon the ruling class that they have neither the interest nor the leisure to care for the business of government, or to cultivate art and science, as did the aristocracy of Athens or the clergy of the best days of the Catholic Church. The whole sphere of the higher intellectual activity, that was formerly a privilege of the ruling classes, is now left by these to paid laborers, and the number of these

professional scholars, artists, engineers and functionaries is increasing rapidly.

Taken as a whole these constitute the so-called "intellectuals," the "new middle class," but they are distinguished from the old middle class above all by the lack of any especial class consciousness. Certain divisions of them have a peculiar caste consciousness, very often a blindness of caste, but the interests of each one of these divisions is too peculiar for any common class consciousness to develop. Its members unite with various classes and parties and furnish the intellectual fighters for each. One portion defends the interests of the ruling class for whom many of the intellectuals serve professionally. Others have championed the cause of the proletariat. The majority, however, have up to the present time remained entangled in the little bourgeois circles of thought. This is not alone because many of them sprung from this class, but also because their social position as "middle class" is like that of the small bourgeois, a midway position between the proletariat and the ruling class.

It is in these divisions of the intellectuals, as remarked above, that a continually increasing sympathy for the proletariat is evident. Because they have no especial class interest, and are most accessible through their professional, scientific point of view, they are easiest won for our party through scientific considerations. The theoretical bankruptcy of bourgeois economics, and the

theoretical superiority of Socialism must become clear to them. Through this they must continually discover that the other social classes continuously strive to still further debase art and science. Many others are finally impressed by the fact of the irresistible advance of the Social Democracy, especially when they compare this with the continuous deterioration of Liberalism. So it is that friendship for labor becomes popular among the cultured classes, until there is scarcely a parlor in which one does not stumble over one or more "Socialists."

If these circles of the cultured class were synonomous with the bourgeoisie, then to be sure we would have won the game, and a social revolution would be superfluous. With this class it is easy to discuss things, and from them a quiet gradual development will meet no forcible hindrance.

Unfortunately, however, they are only a portion of the bourgeoisie, though, to be sure, just those who speak and write in the name of the bourgeoisie, but not those who determine their acts. And men as well as classes must be judged, not by their words, but by their deeds.

It must also be remembered that it is the least effective fighters and least combative portion of the bourgeoisie in which sympathy for the proletariat is developing.

Heretofore, while socialism was branded among all cultured classes as criminal or insane, capitalist elements could only be brought into

the Socialist movement by a complete break with the whole capitalist world. Whoever came into the Socialist movement at that time from the capitalist elements had need of great energy, revolutionary passion, and strong proletarian convictions. It was just this element which ordinarily constituted the most radical and revolutionary wing of the Socialist movement.

It is wholly different to-day, when Socialism has become a fad. It no longer demands any especial energy, and no break with capitalist society to assume the name of Socialist. It is no wonder then that more and more these new Socialists remain entangled in their previous manner of thought and feeling.

The fighting tactics of the intellectuals are at any rate wholly different from those of the proletariat. To wealth and power of arms the latter opposes its overwhelming numbers and its thorough organization. The intellectuals are an ever diminishing minority with no class organization whatever. Their only weapon is persuasion through speaking and writing, the battle with "intellectual weapons" and "moral superiority," and these "parlor Socialists" would settle the proletarian class struggle also with these weapons. They declare themselves ready to grant the proletariat their moral support, but only on condition that it renounces the idea of the application of force, and this not simply where force is hopeless—there the proletariat has already renounced it—but also in those

places where it is still full of possibilities. Accordingly they seek to throw discredit on the idea of revolution, and to represent it as a useless means. They seek to separate off a social reform wing from the revolutionary proletariat, and they thereby divide and weaken the proletariat.

Up to the present time this is practically the only result of the beginnings of the conversion of the "Intellectuals" to Socialism.

At the side of this "new middle class" the old one, the small capitalist class, still vegetates. This portion of the middle class was at one time the back bone of the revolution; eager for battle and full of fight, they arose on slight provocation whenever the conditions were favorable, against every form of servitude and exploitation from above, against the tyranny of bureaucracy and militarism, against feudal and clerical privileges. They constituted the picked troops of the bourgeois democracy. At one time this class, like a portion of the "new middle class" at present, was very sympathetic towards the proletariat, co-operated with it, gave to it and received from it intellectual support and material strength. But old or new the present middle class is a very unreliable ally, and this just because of its intermediate position between the exploited and the exploiting classes. As Marx has already noted, the little capitalist is neither wholly proletarian, nor wholly bour-

geois, and considers himself, according to the occasion, first one and then the other.

Out of this contradictory position there comes a division in the class of small property owners. One portion identifies itself with the proletariat, the other with its enemies.

The small industry is doomed to ruin, its ruin is now proceeding uninterruptedly. This shows itself but slowly in the actual diminution of the number of small industries, but rapidly in their demoralization. A portion of their owners are in absolute dependence upon capital, being nothing more than home and wage-workers, who labor for a master in their houses instead of in a factory. Others, especially small merchants and innkeepers, remain independent, but find their customers only in laboring circles, so that their existence is absolutely dependent upon the prosperity or adversity of the laboring classes. They have despaired of ever rising by their own exertions, they expect everything from above, and look only to the upper classes and the government for assistance. And as all progress threatens them they place themselves in opposition to all advance. Servility and dependence upon reaction make them not simply the willing supporters, but the fanatical defenders of the monarchy, the church and the nobility. With all this they remain democratic, since it is only through democracy that they can exercise any political influence, and obtain the assistance of the public powers.

It is this division of the little property owners that is mainly responsible for the decadence of the bourgeois democracy. One of these divisions turns toward the proletarian Social Democracy; the other toward the reactionary democracy, where it appears under the most diverse colors as anti-semitism, nationalism, Christian democracy—factions of the conservative and central parties, but always with the same social content. This reactionary democracy has taken many of its ideas and arguments from the socialist thought, and many have therefore come to consider these as but beginnings which indicate an especial transition form from liberalism to socialism. The untenableness of this position is clear to-day. Socialism has no bitterer enemy than the reactionary democracy. If the socialists demand any advance in civilization, whether that advance be a direct benefit to proletarian class interests or not, the reactionary democracy is driven by its whole being to oppose it, even if it does not directly threaten the interests of the small property owner. Just as the Socialist party is the most progressive party, so the reactionary democracy is the most retrograde party, in that to the hatred of progress which they share with other reactionary parties they add the most gross ignorance of everything that takes place outside their narrow circle of thought. Another reason for this fact is that the little capitalists can maintain their position as exploiters only by the most inhuman

torture of the weakest and most unresisting of the possessors of labor power—the women and children. As a consequence they are naturally the first opponents of the Socialists, when the latter seek by means of organization and compulsory legislation to abolish this brutal destruction of human life.

So it is that the class of small property owners, so far as it does not become Socialist, becomes, instead of an ally, or a conciliatory element midway between the proletariat and the ruling classes, a bitter enemy of the proletariat. In place of a softening of class antagonisms we see here the most harsh climax of class antagonism, and moreover a rapidly increasing one, for it is only within the last few years that it has become clearly noticeable.

What we have said of the class of small property owners applies with but few changes to the farming class. They are also divided into two camps, one the proletarian, composed of small farmers, and the other of capitalist proprietors. It is our task to accelerate this process of division, in order that we may make clear the overwhelming proletarian interests of the first class, and thereby lead them to socialism. The reactionary democracy in the country is as hostile to our existence as is the one in the cities even if this opposition is not always clearly recognized. Those comrades who look upon the agrarian confusion as only a transition state of the farmers from the old parties to the

social democracy are as badly deceived as those who expect the same thing from the anti-semitism in the cities. The medium and large farmers hate the Socialists, just because they struggle to secure a shorter work-day and higher wages for the laborers, and thereby furnish the principal cause for the farm laborers moving to the city and leaving the farmer in the lurch.

In the country also the social antagonism between the possessors and the proletariat grows sharper.

This is even more true of the antagonism between the great land owners and the wage-worker than of that between the farmer and the wage-worker.

In the great agricultural industries the wage-worker plays a more important role than in ordinary farming. For the great farmer also, the high price of provisions is much more important than for the farmer who consumes a large portion of his product. The antagonism between the producer and consumer of provisions is, to be sure, not the same as between the laborer and exploiter, but rather like that between the city and country. But in the city the proletariat is to-day the most numerous and the most combative class and consequently the seller of provisions sees in the proletariat his most energetic enemy.

It is therefore no wonder that the great land owner looks at the industrial laborer to-day from a wholly different point of view from

what he did. Formerly he was indifferent to the struggle between the industrial capitalist and his laborer and indeed he often followed them with malignant rejoicings at the predicament of the capitalists with which indeed there was often a certain sympathy for the proletariat. It was not the latter that then stood in his road, but rather the capitalist who demanded protection while he needed free trade, and who on the other hand saw in ground rents an invasion of his profits and who sought to take away from the land owners the monopoly of the higher places in the army and bureaucracy.

To-day things are wholly different. The day of the labor friends, such as the Tories and Junkers, of Disraeli, Rodbertus, Vogelsang, is long gone by. Like the class of little property owners and the class of medium and large farmers, the class of land owners is becoming more and more antagonistic to the laborers.

But the *capitalist class?* They are to-day the deciding class. Are they not at least like the "intellectuals" becoming more and more friendly to labor?

I regret to say that I can see no sign of this friendship.

Certainly the capitalist class also is changing. It does not remain always the same. But what are the most important changes that it has undergone in the last decade?

Upon the one side we find a diminution, in-

deed, in some places the complete abolition, by means of agreements, cartels and trusts, of the competition which the capitalists had formerly to meet in the individual branches of industry. On the other side we see the intensification of international competition through the rise of new capitalist powers, particularly Germany and the United States.

The agreements abolish competition among capitalists not only as opposed to the buyers of their products, but also as opposed to their laborers. Instead of numerous buyers of labor power they now stand as a unit opposed to the workers. How greatly this increases their superiority and how much it sharpens their antagonism to the laborers needs no further explanation.

According to the last census of the United States the wages of laborers in American industries have absolutely decreased during the ten years from 1890 to 1900. If this is correct it is not too much to say that it is one of the results of the trust.

The sharpening of international competition works in the same direction. Here also we find the laborers suffering together with the consumers from this development. Alongside of the increase in the price of goods through protective tariff, which also aid the formation of trusts and combines, we find an increased exploitation of the laborers by which the capitalists seek to meet foreign competition. The con-

sequence of this is the intensification of their struggle against the fighting organizations of the laborers, both political and economic, which stand in the way of such exploitation.

Here also we find not a softening but a sharpening of class antagonism.

A third force working in the same direction is the increasing amalgamation of industrial capital with money capital, or "high finance." The industrial capitalist is a manager that possesses an industry in the sphere of production, taking this word in its widest sense (including transportation) in which he exploits salaried wage-workers and draws a profit from them. The money capitalist, on the contrary, is the modernized form of the ancient usurer. He draws his income from interest on the money which he loans, not only, as formerly, to indigent private individuals, but also to capitalist managers, institutions, States, etc.

Between the industrial capitalist and the money capitalist a great antagonism exists, similar to that between the first and the land owners. Interest on borrowed capital like ground rent constitutes a reduction from industrial profits. The interests of both forms of capital are here contradictory. Politically also they are in opposition. The great land owner stands to-day for a strong and preferably monarchical form of government because as a part of the nobility he can personally influence the monarch through them and through him the govern-

mental power. Furthermore he is a military fanatic because this offers increased opportunities for officers, careers to which the sons of the bourgeois were little inclined. Again, he formerly demanded a forcible policy in both foreign and internal affairs. In this same way, the financier finds militarism and a strong active governmental policy, both external and internal, very agreeable. The kings of finance need not fear a strong governmental power, independent of people and Parliament, because they can rule such a power either directly as bondholders, or else through personal and social influences. In militarism, war and public debts they have a direct interest, not only as creditors, but also as government contractors, since the sphere of their influence, their exploitation, their power and their wealth is thereby increased.

It is wholly different with industrial capital. Militarism, war and public debts signify high taxes which the wealthy must assist in bearing, or else the cost of production is increased. War signifies besides this a stagnation in the production of commodities, a break in trade, economic difficulties and frequently ruin. Where the financier is rash, extravagant and violent the industrial manager is frugal, timid and peace-loving. A strong governmental power arouses anxiety in him and all the more because he cannot directly control it. His interests demand rather a strong parliament than a strong gov-

ernment. In opposition to the great land owner and to the financier, he inclines rather to liberalism, because its half-heartedness accords with his own position. His profits are limited upon the one side by ground rent, interest and taxes, and upon the other side an aspiring proletariat threatens the whole profit system. When the proletariat becomes too threatening, he prefers to adopt the peaceable method of "divide and govern," of corruption, and of compromise by benevolent establishments, etc., rather than the method of forcible suppression. Where the proletariat has not yet entered the field of independent politics the industrial capitalist willingly serves it as bellwether in order to increase his own political power. To the little bourgeois Socialist the opposition between industrial capital and the proletariat appears less than that between profit upon the one side and ground rent and interest upon the other. For him the solution of the social question consists in the abolition of interest and ground rent.

The opposition between finance and industry continually decreases since with the progressive concentration of capital, finance ever more and more dominates industry. A powerful means to this end is the continuous replacement of private employers by stock companies. Well meaning optimists have seen in this a means of "democratizing" capital so that after a while, in the most peaceable manner without any one noticing it, capital would be transformed into

social property. In fact, this movement really means the transformation of all the money of the middle and lower classes, which is not used by them for immediate consumption, into money capital and as such placing it at the disposal of the great financiers for the buying out of industrial managers and thereby assisting in the concentration of industry in the hands of a few financiers. Without the system of stocks the great financiers would only control those businesses which they have bought with their own money. Thanks to stocks, they can make countless industries dependent upon them and thereby accelerate the conquest of those which they have not the necessary money to purchase. The whole fabulous power of Pierpont Morgan & Co., that within the last few years has united in one hand countless railroads, mines, and a majority of the iron works, and now has also monopolized the greatest Transatlantic steamship line—this sudden acquisition of dominion over the industry and commerce of the greatest of civilized worlds would have been impossible without stock companies.

According to the London Economist, five men, John D. Rockefeller, C. H. Harriman, Pierpont Morgan, W. M. Vanderbilt and G. D. Gould together possess seven hundred and fifty million dollars; while the total capital of the banks, railroads and the industrial companies of the United States is seventeen thousand five hundred million dollars. Thanks

to the stock system they control half of this capital, upon which in turn the entire economic wealth of the Union depends.

As has always been the case, so again when the inevitable crisis comes in America, the little stockholders will be expropriated and the positions of the great ones enlarged and strengthened.

The greater the power of the financier in industry, the greater the tendency of industrial capital to adopt the methods of finance. For the private business man who lives by the side of his laborers, these are still men to whose welfare he cannot be wholly indifferent unless he has become utterly callous. For the stockholder, nothing exists but dividends, and the laborers are simply figures in a mathematical calculation in the result of which he is in the highest degree interested, for it can usually bring him increased well being and increased power, or retrenchment and social degradation. The remnant of consideration for the laborer which was still preserved in the private employer is here wholly lost.

Money capital is that form of capital which mostly inclines toward violence, which easiest leads to monopoly and thereby attains boundless power over the laboring class, which is most estranged from the laborer, which most threatens the capital of the private industrial capitalist, and more and more comes to rule the whole capitalist system of production.

The necessary result of this is a sharpening of social antagonisms. But England! it will be at once responded. Do we not find in England a perceptible softening of class antagonisms, and has not Marx said that England is the classic land of capitalist production, which to-day shows what our future will be? Is not the present condition of England the one toward which we are moving?

It is always to England that the fanatics of social peace refer us and it is significant that it is these same people who taunt us orthodox Marxians the loudest on the obstinate tenacity with which we cling to every Marxian sentence and who most frequently throw the above Marxian sentence at us.

As a matter of fact, however, conditions have greatly changed since the writing of Capital. England has ceased to be the classic land of capitalism. Its development comes more and more to a standstill, it is more and more becoming subordinate to other nations, especially Germany and America, and now the conditions begin to be reversed. England ceases to show us our future. On the contrary, our present state rather shows England's future in capitalist production. The thing which shows that the investigator of actual relations is really an orthodox Marxian is not that he thoughtlessly follows Marx, but that he applies his methods in order to understand facts.

England was the classic ground of capital-

ism, the one upon which industrial capital first gained the mastery. English capitalism came into power the economic master not only of the upper class of its own land but also of foreign lands. So it was that all of the characteristics that I have above designated as peculiar to it could most freely develop. It gave up violent suppression of the laboring class and depended much more upon peaceful diplomacy, for a while granted political privileges to the powerfully organized, and sought to purchase and corrupt its leaders by friendly advances in which it was too often successful. At the same time it renounced all violence towards the external world. Peace and free trade were its watchwords. It adopted a peaceful attitude toward the Boers, and finally feigned to be about to right the century-long injustice of England towards Ireland by granting it home rule.

Meanwhile foreign competition grows powerful, indeed sometimes overpowering, and this compelled the capitalists to resist all opposition to exploitation within, while the most violent means are used to secure external markets. Hand and hand with this goes the usurious growth of the domination of high finance in the process of production. Since then England has taken on another appearance. "The spirit of the times," declare the Webbs in "Socialen Praxis" for March 20th, 1902, "has during the last ten years been turned against the 'corporative self-help' in the relations of

employer and employee, that was characteristic of a generation ago. Indeed, the public opinion of the wealthy and professional classes is actually hostile to all that concerns trades-unions and strikes, as was not the case a generation ago."

As a result of this sudden change the unions are most seriously hindered in their activity by the courts. In place of free trade we see the cost of living enhanced by taxation; the policy of colonial conquest begins anew, together with coercive legislation against Ireland. All that is needed is the establishment of a standing army on the Prussian model and England will be fully launched upon the road of German policy, with the same Polish, commercial, social, foreign and military policy.

Does this not clearly show that England's future can today be studied in Germany (and also in the United States), and that England's condition has ceased to represent our future? The stage of "softening of class antagonisms" and the building the road to "social peace" is confined to England, and today is even there a thing of the past. Gladstone was the foremost representative of the policy of concessions for the softening of antagonisms, which corresponded to the industrial capitalism of England at the time when it dominated in an overwhelming manner all other classes and countries. The foremost representative of the domination of the violent, conquering, money capital is Chamber-

lain. It is one of the strangest ironies of history that the Gladstonian stage should have been looked upon in Germany as foretelling our future and most loudly praised as a firmly acquired conquest, at just the moment when the Gladstonian heritage was being scattered to the winds and Chamberlain was becoming the hero of the English populace.

I will freely grant that I, too, formerly had great hopes of England. While I did not expect that the Gladstonian stage would ever be transported to Germany, still I did hope that because of the peculiarity of English conditions the development from capitalism to Socialism might be peaceably accomplished, not through a social revolution, but by means of a series of progressive concessions by the ruling class to the proletariat. The experience of the last few years has destroyed these hopes for England also. The English internal policy now begins to shape itself on the model of its German competitor. May it have a corresponding reaction upon the English proletariat.

We now see in just how far the acceptance of the idea of a softening of class antagonisms and a drawing together of the bourgeoisie and proletariat is justified. To be sure, it is not wholly built on air, it is supported by certain facts, but its defect consists in having accepted as universal, facts that are really confined to a narrow sphere. It considers a few divisions of the Intellectuals as the whole bourgeoisie, and

views a peculiar social tendency of England, which now belongs to a past age, as a universal, ever increasing tendency of the whole capitalist system of production.

DEMOCRACY.

But does not democracy provide the foundation for a gradual, imperceptible transformation of capitalism into Socialism without any violent break with existing things if we but presuppose the conquest of political power by the proletariat?

There are some politicians who assert that only despotic class rule necessitates revolution; that revolution is rendered superfluous by democracy. It is claimed that we have today sufficient democracy in all civilized countries to make possible a peaceable revolutionless development. Above all it is possible to found cooperatives for consumption whose extension will introduce production for use, and so slowly but surely drive capitalist production out of one sphere after another. Most important of all, it is possible to organize unions that shall continually limit the power of the capitalist in his business, until constitutionalism shall supplant absolutism in the factory, and thus the way will be prepared for the slow transition to the republicanized factory. Still further, the socialists can penetrate into the municipal councils, influence public labor in the interest of the laboring class, extend

the circle of municipal activities, and by the continuous extension of the circle of municipal production narrow the field of private production. Finally the socialists are pressing into parliament, where they are ever gaining more influence, and push through one reform after the other, restrict the power of the capitalists by labor legislation, and simultaneously extend ever wider the circle of governmental production, while they work for the nationalization of the great monopolies. So by the exercise of democratic rights upon existing grounds the capitalist society is gradually and without any shock growing into Socialism. Consequently the revolutionary conquest of political powers by the proletariat is unnecessary, and the efforts towards it directly hurtful, since they can operate in no other way than to disturb this slowly but surely advancing process.

So much for the opponents of revolutionary development.

It is an attractive picture they have painted for us, and again it cannot be truthfully said that it is wholly built in the air. The facts upon which it is founded actually exist. But the truth that they tell is only a half-truth. A little dialectical reflection would have shown them the whole.

This idyl becomes true only if we grant that but one side of the opposition, the proletariat, is growing and increasing in strength, while the other side, the bourgeoisie, remains immov-

ably fixed to the same spot. Granting this, it naturally follows that the proletariat will gradually, and with no revolution, outstrip the bourgeoisie and imperceptibly expropriate it.

But things take on another aspect when the other side is considered, and it is seen that the bourgeoisie is likewise gaining in strength and is goaded on by every advance of the proletariat to develop new powers, and to discover and apply new methods of resistance and repression. That which from a one-sided observation appears as a gradual peaceable growth into Socialism is then seen as the organization of ever larger fighting bodies, as the development and application of ever more powerful resources for conflict, as a continuous widening of the battle field. Instead of being a gradual winning of the class struggle through the exhaustion of capitalism, it is rather a reproduction of the struggle upon ever wider stages, and a deepening of the consequences of every victory and every defeat.

Most harmless of all are the cooperatives, of which today the cooperatives of consumption are practically the only ones to be considered. Because of their purely peaceable character these are always highly esteemed by all opponents of revolutionary development. There is no doubt but that they can afford numerous important advantages to the laboring class, but it is laughable to expect even a partial expropriation of the capitalist class from them. So

far as they are expropriating any class today it is that of little merchants and numerous grades of handworkers, that have been able to maintain their existence until now. Correspondingly it is noticed that nowhere do the great capitalists attack the cooperatives which it is pretended threaten them. On the contrary it is the little property owners whose rage is aroused against the cooperatives, and those who are injured are just the ones who are most dependent upon the laboring class, and who can be most easily won to the proletarian political cause. While the workingmen's cooperatives bring some material advantages to certain divisions of the laboring class, they also drive away from our movement many classes who stand very close to the proletariat. These means to the peaceable absorption of capitalism and the abrogation of the class struggle tend rather to introduce a new bone of contention and to arouse a new class hatred. Meanwhile the power of capital remains wholly untouched. The cooperative for consumption has so far been victorious only in its battle with the little merchant; the struggle with the great stores is still in the future. This will not be so easy a victory.

The idea that the dividends of the cooperatives, even if not divided, but kept intact, can increase faster than the accumulation of capital so as to overtake it and contract the sphere of capitalism, is absolutely foolish.

The cooperative can play an important part in the emancipation of the proletariat only where the latter is engaged in an active class struggle. The cooperative can then become a means to supply the battling proletarians with resources. Even then they are wholly dependent upon the condition of legislation and the attitude of the state. So long as the proletariat has not yet attained political power, the importance of cooperatives for the class struggle of the proletariat will always be very limited.

Much more important for the proletariat than the cooperatives are the trade unions. This is true, however, only when these are fighting organizations, and not when they are organizations for social peace. Even where they conclude contracts with employers, either as individuals or as organizations, they can only secure and maintain these through their fighting ability.

However important, or indeed indispensable, unions may be for the battling proletariat, they must sooner or later reckon with the union of employers, which, when it takes the form of a close agreement, of a cartel, or of a trust, will find it only too easy to become irresistible to the union. But unions of employers are not the only things that threaten the unions—more important is the governmental power. We in Germany could tell a tale on this point. That, however, even in such a democratic country as England, the unions have not yet overcome all

their difficulties in this direction, has been shown by the recent well-known decision of the courts which threatens to completely incapacitate the unions.

On this point the already mentioned article of the Webbs in "Socialen Praxis" offers an interesting example which throws a significant light upon the future of the unions. They refer there to the great irregularity of the development of unions in England. Generally speaking, the strong have grown stronger, while those that were formerly weak are now weaker than before. The unions of coal miners, cotton workers, and in the building trades and the iron industry have grown. Those of the farm workers, sailors, clothing trades and unskilled laborers have gone backwards. The whole union world, however, is now threatened by the increasing opposition of the possessing classes. The English laws lend themselves remarkably well to the suppression of undesirable organizations, and the danger that they now offer to the unions "has grown, and the fear of them is increasing with the hostility against the unions and strikes which the judges and officials share with the remainder of the upper and middle classes." The existing laws are of a character "to deliver the laborers into the hands of the employers with hands tied." So that the Webbs are forced to reckon with a position "in which the collective bargain with its undeniably favorable conditions, the collective cessation of labor

and the opportune interruption of industry, is, through the legal operation of law, made impossible or at least costly and difficult."

This places the unions in a decidedly embarrassing position in opposition to the capitalists, so that one can scarcely expect any effective restriction of exploitation from them. One may well reflect upon what action the governmental power will take in this former El Dorado of the unions, England, if the unions attempt any forcible restraint upon capital.

In the same way the so-called Municipal Socialism is limited to those States and social organizations where universal suffrage in the municipality rules. It must always remain bound to the general economic and political conditions, and can never proceed independently. To be sure, the proletariat may find the municipal government in the individual industrial communities in their hands before they have the strength to conquer the general government, and they can by means of this control, or at least restrain, action hostile to the proletariat and carry through individual betterments which could not be expected from a bourgeois regime. But such municipal governments find themselves limited not alone by the power of the State, but also by their own economic helplessness. They are mostly poor municipalities, almost exclusively made up of proletarians, that are first conquered by the social democracy. Where shall these obtain the means to carry

out great reforms? Ordinarily the taxing power of the municipality is restricted by State laws, and even where this is not the case the taxation of the well-to-do and the rich cannot exceed certain bounds without these residents, the only ones from whom anything can be taken, being driven out of the municipality. Every decisive work of reform demands at once new taxes which are unfavorably received not only by the upper classes but also by wider circles of the population. Many a municipal government which has been captured by socialists, or so-called socialistic reformers, has been taken away from them because of the taxation question, in spite of the fact that their actions have been exceedingly efficient. This was true in London and also in Roubaix.

But the political sphere! that knows no bounds! Shall we not find there an unbroken advance for the protection of laborers, and does not every session of Parliament bring us new restrictions on capitalism, and does not every recurring election increase the number of our representatives in Parliament? And is not thereby our power in the State and our influence upon the government slowly and surely but interruptedly growing, and does not this carry with it a corresponding dependence of capital upon the proletariat? Certainly the number of laws for the protection of labor grow from year to year. But when one looks closely at this he will see that in the last ten years they

have been only an extension to new spheres of already existing protection. Taking children out of the factory, protecting clerks, bookkeepers, house industries, sailors, etc., an extension of a superficial and doubtful character, and not in any way an increasing strengthening of protection where it already existed. When one considers, on the other hand, how remarkably fast the capitalist system of protection extends its sphere, how quickly it leaps from one calling to another, and from one man to another, it will be found that the extension of the protection of labor follows at a much slower pace; that it can never overtake the extension of capitalism, but always comes limping slowly on behind. And while the extension of the latter continually takes on a more rapid pace, the former tends ever more and more to come to a standstill.

If the advance of the protection of labor extensively is so unsatisfactory, intensively we shall find absolutely nothing. In England in 1847, under the pressure of the Chartist movement and the rapid degradation of the textile industry, the ten-hour day was secured for women and children—that is, actually for the whole laboring class of the textile industry. Where have we today an improvement on the ten-hour day?

The Second Republic of France in 1848 fixed the laboring day at ten hours for all the laborers in Paris, and in the remainder of France

at eleven hours. When lately Millerand announced in the Chamber the ten-hour day, and that only upon paper and with many restrictions, for those industries in which women and children worked with laborers, and this not for all industries, this was praised as an admirable act of which only a socialist minister was capable. And yet he offered less than the bourgeois lawmakers of a half century ago, for he extended the ten-hour day only to the children for which in England a labor day of six and a half hours had been fixed in 1844.

At the Geneva Congress of 1866 the "International" had already declared the eight-hour day to be the preliminary condition to any fruitful social reform. Thirty-six years later, at the last French Socialist Congress at Tours, a delegate could still arise and declare that the eight-hour day must be placed as our next demand. He only wished to demand "measures preparatory for the eight-hour day," and yet this man was not laughed from the room. On the contrary, he was able to be a candidate at the last election in Paris.

It appears that the only thing in social reform that makes rapid progress is the modesty of the social reformers.

But how is this possible in spite of the increase of socialist representatives in parliamentary bodies? It becomes perfectly clear if one does not look at the matter wholly from one side, but studies the reverse of the medal.

There is no doubt that the number of socialist representatives increases, but simultaneously therewith the bourgeois democracy falls to pieces. Very often this is shown openly in the diminution of their vote at election. More frequently it is seen in the falling off of any results. They are ever more cowardly, characterless, and resist reaction only to prepare the way to carry on a reactionary policy themselves as soon as they come to the helm. Indeed, that is the method by which Liberalism seeks nowadays to conquer political power.

As Bismarck saw his power waning he demanded that the terms of the German Reichstag should be extended from three to five years. This was an undoubtedly reactionary measure that raised a storm of indignation. In France, however, the last radical ministry of the republican defense, in which there was a Socialist minister, demanded an extension of the legislative term from four to six years, and the republican majority consented to grant this. Had it not been for the Senate, this reactionary measure would have become a law.

It is not alone that bourgeois liberalism disappears in the same degree that social democracy increases. At the same time that the influence of social democracy grows in Parliament the influence of Parliament decreases. These two phenomena proceed simultaneously without, however, having any direct connection with each other. On the contrary, the parlia-

ments in which there are no Social Democrats, as, for example, the Saxon and Prussian Chambers, lose their influence and their creative power much more rapidly than the others.

The demoralization of Parliaments has various different causes. The most essential causes are not those that belong to Parliamentary tactics, which through an alteration in the order of business, or of the sphere of Parliament, abolish its efficiency. The most essential lies in the character of the classes which are able through Parliament to significantly influence government. If Parliamentarism is to prosper, two preliminary conditions are necessary: the first, a single strong majority, and the second, a great social goal toward which this majority energetically strives and toward which they can force the government also. Both of these existed in the Golden Age of Parliamentarism. So long as capitalism represented the future of the nation, all classes of the people that possessed any Parliamentary significance, and especially the mass of the intellectuals, stood for freedom of capitalism. This was true of a majority of the small capitalists, and even the laborers followed the bourgeois leadership.

Liberalism thus stood as a united party with great aims. The struggle of the Liberalists for Parliament and in Parliament gave the latter its significance. Since then, as I have described above, a new development has risen.

A special class consciousness has developed in the proletariat, so that a portion of the intellectuals, of the little property owners and of the small farmers are driven into the socialist camp. The rest of the small bourgeoisie and the farmers become wholly reactionary, while the powerful elements of industrial capital unite with the high finance which cares nothing for Parliament except when it can use it for its purposes—vide Panama.

The Liberal Party then dissolves into its elements without another great Parliamentary party with its united character rising from the governing class to take its position. The more reactionary the possessing classes become, the less are they a united body, and the more they split into little individual pieces, the harder it is to bring a united Parliamentary majority together. The more is it true that a majority is possible only through bringing together the different tendencies for a momentary coalition resting upon most uncertain foundations, because no interior bond, but only considerations of external opportuneness, controls them. Such coalitions are from the beginning doomed to unfruitfulness because their elements are so diverse that they are only held together through disclaiming just that decisive action which would give them life. It is a peculiar misunderstanding of the nature of these coalitions which arise from the downfall of Parliamentarism and signify its social and political im-

potency, that participation in them should be considered the means to a slow, step-by-step introduction of the proletariat to political power.

Social evolution does not, however, lead merely to the dissolution of the great united Parliamentary parties into countless, diverse and indeed often hostile factions. It leads also to the result that very often the Parliamentary majorities are more reactionary and more hostile than the government. Even if the governments are but agents of the ruling classes, still they have more insight into the sum of political and social relations, and, however willing a servant the official bureaucracy is to the government, it nevertheless develops its own life and its own tendencies that react upon the government. Moreover, the bureaucracy is recruited from the intellectuals, in which, as we have already seen, an understanding of the significance of the proletariat is advancing, even though timidly.

All this operates so that not seldom the government, with all its reactionary attitudes and hostility to labor, still does not proceed with such blind rage as does the ruling class, with its little bourgeois and agrarian tail, which stands behind the government. The Parliament which was formerly the means of pressing the government forward upon the road to progress becomes ever more and more the means to nullify the little progress that conditions compel the

government to make. In the degree that the class which rules through Parliamentarism is rendered superfluous and indeed injurious, the Parliamentary machinery loses its significance.

When, on the other hand, consideration of the proletarian body of voters compels the representative body to move towards friendship for labor and democracy and thereby to overreach the government, the latter easily finds means to circumvent Parliament.

In the United States the battle against the unions is carried on much less through the representative bodies than through the courts. In the same way it is the decisions of the House of Lords, and not the legislation of the popularly elected House of Commons, whereby the road to an attack upon the unions has recently been opened in England; and how the spirit of the abolished laws of exception still lives in the German courts, the German laborers can tell many a tale.

So the candle is burning from both ends, and the ruling parties as well as the government more and more doom Parliament to sterility. Parliamentarism is continually more incapable of following a decisive policy in any direction. It becomes ever more senile and helpless, and can only be reawakened to new youth and strength when it, together with the total governmental power, is conquered by the rising proletariat and turned to serve its purposes. Parliamentarism, far from making a revolu-

tion useless and superfluous, is itself in need of a revolution in order to vivify it.

I do not wish to be understood as holding democracy superfluous, or to take the position that cooperatives, unions, the entrance of social democracy into municipalities and parliaments, or the attainment of single reforms, is worthless. Nothing would be more incorrect. On the contrary, all these are of incalculable value to the proletariat. They are only insignificant as means to avoid a revolution.

This conquest of political power by the proletariat is of the highest value exactly because it makes possible a higher form of the revolutionary struggle. This struggle is no longer, as in 1789, a battle of unorganized mobs with no political form, with no insight into the relative strength of the contending factors, with no profound comprehension of the purposes of the struggle and the means to its solution; no longer a battle of mobs that can be deceived and bewildered by every rumor or accident. It is a battle of organized, intelligent masses, full of stability and prudence, that do not follow every impulse or explode over every insult, or collapse under every misfortune.

On the other hand, the elections are a means to count ourselves and the enemy, and they grant thereby a clear view of the relative strength of the classes and parties, their advance and their retreat. They prevent premature outbreaks and they guard against de-

feats. They also grant the possibility that the opponents will themselves recognize the untenability of many positions and freely surrender them when their maintenance is no life-and-death question for them. So that the battle demands fewer victims, is less sanguinary and depends less upon blind chance.

Neither are the political acquisitions that are gained through democracy and the application of its freedom and rights to be undervalued. They are much too insignificant to really restrict the dominion of capitalism and to bring about its imperceptible transition into socialism. The slightest reform or organization may be of great significance for the physical or intellectual *re-birth of the proletariat* that, without them, would be surrendered helpless to capitalism and left alone in the misery that continuously threatens it. But it is not alone the relief of the proletariat from its misery that makes the activity of the proletariat in Parliament and the operation of the proletarian organizations indispensable. They are also of value as a means of practically familiarizing the proletariat with the problems and methods of national and municipal government and of great industries, as well as to the attainment of that intellectual maturity which the proletariat needs if it is to supplant the bourgeoisie as ruling class.

Democracy is also indispensable as a means of ripening the proletariat for the social revolu-

tion. But it is not capable of preventing this revolution. Democracy is to the proletariat what light and air are to the organism; without them it cannot develop its powers. But we must not be so occupied with observing the growth of one class that we cannot see the simultaneous growth of its opponent. Democracy does not hinder the development of capital, whose organization and political and economic powers increase at the same time as does the power of the proletariat. To be sure, the cooperatives are increasing, but simultaneously and yet faster grows the accumulation of capital; to be sure, the unions are growing, but simultaneously and faster grows the concentration of capital and its organization in gigantic monopolies. To be sure, the socialist press is growing (to only mention here a point which cannot be further discussed), but simultaneously grows the partyless and characterless press that poisons and unnerves ever wider popular circles. To be sure, wages are rising, but still faster rises the mass of profits. Certainly the number of socialist representatives in Parliament is growing, but still more sinks the significance and efficaciousness of this institution, while simultaneously Parliamentary majorities, like the government, fall into ever greater dependence on the powers of the high finance.

So beside the resources of the proletariat develop also those of capital, and the end of this development can be nothing less than a great,

decisive battle that cannot end until the proletariat has attained the victory.

The capitalist class is superfluous, and the proletariat, on the other hand, has become an indispensable social class. The capitalist class is not in a condition either to elevate the proletariat nor to root it out. After every defeat the latter rises again, more threatening than before. Accordingly the proletariat, when it shall have gained the first great victory over capital that shall place the political powers in its hands, can apply them in no other way than to the abolition of the capitalist system. So long as this has not yet happened, the battle between the two classes will not and cannot come to an end. Social peace inside of the capitalist system is a Utopia that has grown out of the real needs of the intellectual classes, but has no foundation in reality for its development. And no less of a Utopia is the imperceptible growth of capitalism into socialism. We have not the slightest ground to admit that things will end differently from what they begun. Neither the economic nor the political development indicates that the era of revolution which characterizes the capitalist system is closed. Social reform and the strengthening of the proletarian organizations cannot hinder it. They can at the most operate to the end that the class struggle in the higher developed grades of the battling proletariat will be transformed from a battle for the first conditions of

existence to a battle for the possession of dominion.

FORMS AND WEAPONS OF SOCIAL REVOLUTION.

What will be the precise form under which the decisive battles between the ruling class and the proletariat will be fought out? When may we expect them to occur? What weapons will be at the service of the proletariat?

To these questions it is hard to give definite answers. We can to a certain degree suggest the *direction* of the development but not its *form* nor its *velocity*. The investigation of the direction of evolution concerns itself only with relatively simple laws. Here one can only isolate from the whole confused manifold, the phenomena which we recognize as not regular or necessary, or which appear to us as accidental. These latter on the contrary play an important part in the determination of the form and the velocity of the movement. For example, in all modern civilization the direction of capitalist development during the last century has been the same, but in every one of them the form and the velocity was very different. Geographical peculiarities, racial individualities, favor and disfavor of the neighbor, the restraint or assistance of great individualities, all these and many other things have had their influence. Many of these could not be foreseen, but even the most easily recognizable of these factors operate upon each other in such diverse ways that the result

is so extremely complicated as to be impossible of determination from a previous stage. So it came about that even the people who through fundamental and comprehensive knowledge of the social relations of other civilized countries and by methodical and fruitful methods of research far exceeded all their contemporaries, as for example, Marx and Engels, were able to determine the direction of economic development for many decades in a degree that the course of events has magnificently justified. But even these investigators could strikingly err when it came to the question of predicting the velocity and form of the development of the next month.

There is only one thing I think that one can certainly say to-day about the approaching revolution. It will be wholly different from any of its predecessors. It is one of the greatest mistakes that revolutionists as well as their opponents frequently commit to present the coming revolution according to the model of past ones for there is nothing easier than to prove that such revolutions are no longer possible. The conclusion is then at hand that the idea of a social revolution is an entirely outgrown one. It is the first time in the history of the world that we are confronted with a revolutionary struggle to be fought out under the application of democratic forms by organizations created upon the foundation of democratic freedom against resources such as the world has not yet seen, prominent among which are organizations

of employers before which even monarchs bow, and whose power will be strengthened by the governmental powers of bureaucracy and militarism, which the modern great nations have inherited from absolutism.

One of the peculiarities of the present situation consists in the fact that, as we have already pointed out, it is no longer the governments which offer us the harshest resistance. Under absolutism, against which former revolutions were turned, the government was supreme and class antagonisms could not clearly develop. The government hindered not alone the exploited but also the exploiting classes from freely defending their interests. On the side of government there stood only a portion of the exploiting class; another and a very considerable part of the exploiters, namely, the industrial capitalists, were in the camp of the opposition, together with the whole mass of the laboring class—not simply proletarians, but also the small bourgeois and the peasants—except in some backward localities. Government was also isolated from the people. It had no hold on the broad masses of the populace; it represented the most highly favored strength of the oppression and the exploitation of the people. A *coup d'etat* could under certain circumstances suffice to overthrow it.

In a democracy not alone the exploited but the exploiting class can more freely develop their organization, and it is necessary that they

do this if they are to be able to resist their opponents. The strength not only of the former but of the latter as well is greater than under absolutism. They use their forces recklessly and more harshly than the government itself, which no longer stands above them, but rather beneath them.

The revolutionary circles have also to deal not only with the government but also with the powerful organizations of the exploiters. And the revolutionary circles no longer represent as in the early revolutions an overwhelming majority of the people opposed to a handful of exploiters. To-day they represent in reality only one class, the proletariat, to which not only the whole body of the exploiting class, but also the great mass of the farmers, and a great majority of the intellectuals stand opposed.

Only a fraction of the intellectuals and the very small farmers and the little bourgeois who are actually wage-workers and dependent on their custom unite with the proletariat. But these are decidedly uncertain allies; they are all greatly lacking in just that weapon from which the proletariat draws all its strength—organization.

While the former revolutions were uprisings of the populace against the government, the coming revolution with the exception perhaps of Russia will have more of the character of the struggle of one portion of the people against another, and therein, and *only* therein, resemble

more the struggles of the Reformation than the type of the French Revolution. I might almost say that it will be much less of a sudden uprising against the authorities than a long drawn out *civil war,* if one does not necessarily join to these last words the idea of actual slaughter and battles. We have no ground to think that barricade battles and similar warlike accompaniments will play a decisive role to-day. The reasons for this have been given so often that I have no need of dallying longer concerning them. Militarism can only be overthrown by rendering the military itself faithless to the rulers, not through its being conquered by popular uprisings.

We have just as little to expect from a financial crisis as from an armed uprising in producing a collapse of existing conditions. In this respect the situation is also wholly different from that of 1789 and 1848. At that time capitalism was still weak, the accumulation of capital still slight and capital difficult to obtain. In this relation capital was partially hostile to absolutism or at least distrustful of it. The government was dependent upon capital and especially upon industrial capital and its development was impossible without it, or at least against its will. The dying feudalism, however, led to the drying up of all material sources of help so that the government received even less money from its lands and was ever more dependent upon the money lenders. This finally led

to financial collapse or to concessions to the struggling class either of which events were able to bring about a political collapse.

It is wholly different to-day. Capitalism does not, like feudalism, lead to under-production, but to over-production, and chokes in its own fat. It is not a lack of capital, but superfluity of capital which to-day demands profitable investment and in pursuit of dividends draws back from no risk. The governments are completely dependent upon the capitalist class and the latter has every reason to protect and support them. The increase of public debts can only become a revolutionary factor in so far as it increases the pressure of taxes and therewith leads to an uprising of the lower classes, but scarcely (Russia perhaps must be excepted) to a direct financial collapse, or even to a serious financial embarrassment of the government. We have just as little cause to expect a revolution from a financial crisis as from an armed insurrection.

One means which is peculiar to the proletariat for battle and the exercise of influence is the organized withholding of labor—the *strike*. The more the capitalist manner of production develops and capital concentrates, the more gigantic the dimensions of the strike, and the more the capitalist manner of production presses the small industries, the more will the whole of society become dependent upon the undisturbed continuance of capitalist production

and the more will every important disturbance of this latter, as for instance, a strike of great dimensions, bring with it national calamities and political results. At a certain height of economic development the thought will at once occur to use the strike as a means for political struggle. It has already appeared as such in France and Belgium and has been used with good results. In my opinion it will play a great role in the revolutionary battles of the future.

That has been my view for a long time. In my articles on the new party programme of 1891 (Neue Zeit, 1890-1891, No. 50, page 757) I pointed out the possibility that "under certain conditions, when a great decision is to be made, when great events have moved the labor masses to their depths an extensive cessation of labor may easily have great political results."

Naturally, I am not using the idea of a general strike in the sense that the anarchists and the French trade unionists use the word. To these latter the political and especially the Parliamentary activity of the proletariat is to be supplemented by the strike and it is to become a means to throw the social order overboard.

That is foolish. A general strike in the sense that all the laborers of the country at a given sign shall lay down their labor presupposes a unanimity and an organization of the laborers which is scarcely possible in present society, and which if it were once attained would be so irresistible that no general strike would be neces-

sary. Such a strike would, however, at one stroke render impossible the existence not simply of existing society but all existence, and that of the proletarians long before that of the capitalist, and must consequently collapse uselessly at just the moment when its revolutionary virtue began to develop.

The strike as a political weapon will scarcely ever, certainly not in any time now visible, take on the form of a strike of *all* the laborers of a country. It can also not have the purpose of *displacing* the other means of political struggle but only of *supplementing* and *strengthening* them. We are now entering upon a time where opposed to the overwhelming power of organized capital an isolated non-political strike will be just as hopeless as is the isolated parliamentary action of the labor parties opposed to the pressure of the capitalistically dominated governmental powers. It will be ever more necessary that both should grow and draw new strength from co-operation.

As is the case with all new weapons the best manner to use a political strike must first be learned. It is not a cure-all as the anarchists announce it, and it is not an infallible means, under all conditions, as they consider it. It would exceed my purposes to investigate here the conditions under which it is applicable. Considering the latest events in Belgium I might observe that these have shown how very much it demands its own peculiar methods

which do not favorably combine with other methods, as for example, with alliances with Liberals. I do not necessarily reject such an alliance under all conditions. It would be foolish for us not to utilize the disagreements and divisions of our opponents. But one should not expect more from the Liberals than they are able to grant. In the field of proletarian activity it may be easily possible under certain conditions that the opposition between them and us in regard to this and that measure may be less than between them and our bourgeois opponents. At such a time an alliance may have a place. But outside of the parliamentary field any effort for a revolutionary demand cannot be fought with Liberal aid. To seek to strengthen proletarian powers in such a struggle by a Liberal alliance is to attempt to use the weapons *for* a purpose that are ordinarily used to *defeat* that purpose. The political strike is a powerful proletarian weapon that is applicable only in a battle which the proletariat fights alone and in which it enters against the total bourgeois society. In this sense it is perhaps the most revolutionary weapon of the proletariat.

Moreover it is probable that still other means and methods of battle will develop of which we do not even dream to-day. There is this difference between the understanding of the *methods* and *organs* and of the *direction* of the social battle that the latter can be theoretically investi-

gated in advance while the former are created in practice and can only be observed by the logicians afterwards, who can then investigate their significance for further evolution. Unions, strikes, corporations, trusts, etc., have sprung from practice and not from theory. In this field many surprises for us may yet appear.

As a means of hastening the political development and of bringing the proletariat into a position of political power war may play a part. War has already often shown itself to be a very revolutionary factor. There are historical situations in which revolution is necessary to the further progress of society but where the revolutionary classes are still too weak to overthrow the ruling powers. The necessity of revolution does not always imply that the aspiring classes should have just the right strength at just the right moment. Unfortunately the world is not yet so purposefully planned as this. There are situations where revolution is undoubtedly demanded, where one ruling class should be displaced by another, but where the latter is still held in firm subjection by the former. If this situation continues too long the whole society collapses. Very often in such a situation war fulfills the function to which the aspiring class has not yet grown. It fulfills this in two ways. War can be carried on only by the exercise of all the powers of a people. If there is a deep division in the nation war will compel the governing class to grant concessions to the aspiring

class which they would not have attained without the war.

If the governing class is not capable of such a sacrifice or yields too late for it to be effective then war can easily lead to defeat from without which carries with it a collapse within. A government resting mainly upon an army is overthrown as soon as the army is defeated.

So it has not unfrequently happened that war has been an extremely efficient means, even if brutal and destructive, to bring about a progress of which other means were incapable.

The German bourgeois, for example, was rendered too weak by the transference of the economic center of Europe to the sea coast of the Atlantic Ocean, and by the thirty years' war and its results to overthrow by its own strength the feudal absolutism. It was freed from this only through the Napoleonic wars and then later through the wars of the Bismarckian era. The legacy of 1848 was realized upon mainly through the wars of the counter-revolutionary forces as these forces had themselves been formerly established.

Today we are in a period of external and internal political antagonisms analogous to that which existed in the 50's and 60's. Once more a mass of social tinder has accumulated. The problems of external and internal politics demanding solution become ever more tremendous. But none of the ruling classes or parties dare earnestly to attempt their solution because this

is not possible without great upheavals and they shrink back from these because they have learned to know the gigantic power of the proletariat which every such great upheaval threatens to set free.

I have referred above to the decay of the internal political life which finds its most striking expression in the increasing decadence of Parliaments. But hand in hand with this is the decay of external politics. One fears every energetic policy that may lead to an international conflict, not from an ethical dislike of war, but for fear of the revolution, whose forerunner it may be. Accordingly the statesmanship of our rulers consists simply, not alone internally, but also externally, in placing every question upon the shelf and thereby increasing the number of unsolved problems. Thanks to this policy there now exists a row of shadow States such as Turkey and Austria, which an energetic revolutionary race of a half century ago placed on the list of extinct States. On the other side, and for the same reason, the interest of the bourgeoisie has completely ceased to stand for an independent Polish national state.

But these social craters are not put out, they may burst out again any day in devastating war, like Mt. Pelee at Martinique. Economic evolution itself continually creates new craters, new causes of crises, new points of friction and new occasions for warlike developments, in that it awakens in the ruling classes a greed for the

monopolization of the markets and the conquest of foreign colonies and in that it substitutes for the peaceful attitude of the industrial capitalist, the violent one of the financier.

The single security for freedom is found to-day in the fear of the revolutionary proletariat. We have yet to see how long this will restrain the ever increasing causes of conflict. And there are also a number of powers who have no independent revolutionary proletariat to fear and many of these are completely dominated by an unscrupulous, brutal clique of men of the "high finance." These powers, hitherto insignificant or peace-loving in international politics, are continuously becoming more prominent as international disturbers of peace. This is true most of all of the United States, but also of England and Japan. Russia has figured previously in the first place in the list of international disturbers; her heroic proletariat has momentarily restrained her. But just as overconfidence of a government in unrestricted interior power with no revolutionary class at its back, so also can the despair of a tottering government kindle a war. This was the case with Napoleon III. in 1870 and perhaps may yet be the case with Nicholas II. The great danger to the peace of the world to-day is from these powers and their antagonisms and not from such as exist between Germany and France, or between Austria and Italy. We must reckon on the possibility of a war within a perceptible

time and therewith also the possibility of political convulsions that will end directly in proletarian uprisings or at least in opening the way to them.

Let no one misunderstand me. I am investigating here, not prophesying and still less am I expressing wishes. I investigate what may happen; I do not declare what will happen, least of all do I demand what should happen. When I speak here of war as a means of revolution, that does not say that I desire war. Its horrors are so terrible that to-day it is only military fanatics whose ghastly courage could lead them to demand a war in cold blood. But even when a revolution is not a means to an end but an end in itself, which even at the most bloody price could not be too dearly purchased, still one cannot desire war as a means to release revolution for it is the most irrational means to this end. It brings such terrible destruction and creates such gigantic demands upon the State that any revolution springing from it is heavily loaded with tasks that are not essential to it but which momentarily absorb all its means and energy. Consequently a revolution which rises from war is a sign of the weakness of the revolutionary class, and often the cause of further weakness, just because of the sacrifice that it brings with it, as well as by the moral and intellectual degradation to which war gives rise. It also increases enormously the tasks of the revolutionary regime and simultaneously weak-

ens its powers. Accordingly a revolution springing from a war is easier wrecked or sooner loses its motive force. How wholly different were the results of the bourgeois revolution in France where it sprung from an uprising of the people, from those in Germany, where it was imported through a number of wars. And the proletarian cause would have received much greater justice from the uprising of the Parisian proletariat if it had not been prematurely brought about by the war of '70 and '71, but had waited until a later period in which the Parisians would have had sufficient strength to have driven out Louis Napoleon and his band without a war.

We also have not the slightest ground to wish for an artificial acceleration of our advance by a war.

But things do not move according to our wishes. To be sure men make their own history, but they do not choose according to their desires the problems which they have to solve, nor the conditions under which they live, nor the means through which these problems are to be solved. If it came according to our wishes who of us would not prefer the peaceable to the violent road for which our present strength has perhaps not sufficiently grown and which perhaps would swallow us up. But it is not our task to express pious wishes and to demand of the world that it move in accordance with them, but to recognize the tasks, conditions and

means which arise and to use the latter purposefully to a solution of the former.

Investigation of existing facts is the foundation of any rational policy. If I have arrived at the conviction that we are entering upon a revolutionary epoch, concerning whose conclusions everything is not yet clear, I am driven thereto by the investigation of actual conditions and not by my desires. I desire nothing more than that I may be wrong and that those may be right who maintain that the greatest difficulties of the transition period from capitalism to socialism lie behind us, and that we have all the essential foundations for a peaceful advance to socialism. Unfortunately I see no possibility of accepting this view. The greatest and the most difficult of the battles for political power still lies before us. It will be decided only after a long and hard struggle that will test all our powers to the utmost.

One can do nothing worse to the proletariat than to advise him to rest upon his arms in order to encourage a favorable attitude of the bourgeoisie. Under present conditions this means nothing less than to deliver the proletariat over to the bourgeoisie and bring it into intellectual and political dependence upon the latter, to enervate and degrade it and make it incapable of fulfilling its great historical purposes.

The proof that this is not exaggerated is furnished by the English laborers. Nowhere is the proletariat more numerous, nowhere is its econo-

mic organization better developed, nowhere is its political freedom greater than in England, and nowhere is the proletariat politically more helpless. It has not simply lost all independence in the higher politics. It no longer knows how to even preserve its immediate interests.

Here also we may again refer to the previously cited article of Webb, which certainly cannot be suspected of being consciously revolutionary. "During the upward movement of the last ten years," he says, in the previously mentioned article, "the participation of the English laborers in labor politics has gradually decreased. The eight-hour law and the constructive Socialism of the Fabians to which the unions turned so eagerly in the period of '90 and '93 ceases more and more to occupy their thoughts. The number of labor representatives in the Lower House does not increase."

Even the latest scourgings of their opponents have not served to rouse the proletariat of England. They remain dumb, even when their hands are rendered powerless, dumb when their bread is made more costly. The English laborers to-day stand lower as a political factor than the laborers of the most economically backward country in Europe—Russia. It is the real revolutionary consciousness in these latter that gives them their great political power. It is the renunciation of revolution, the narrowing of interest to the interests of the moment, to

the so-called practical politics, that have made the latter a cipher in actual politics.

But in this practical politics the loss of political power goes hand in hand with moral and political degradation.

I have referred above to the moral re-birth of the proletariat which has transformed them from the barbarians of modern society into the most significant factor in the maintenance and furtherance of our culture. But they have only so risen when they have remained in sharpest antagonism to the bourgeoisie; where the strife for political power has kept alive in them the consciousness that they are called to raise themselves together with the whole of society. Here, again, England offers us an illustration of a laboring class who renounce revolution and care only for practical politics, laughing scornfully at their ideals hung on a peg at one side and casting from them every goal of battle that they cannot express in pounds and shillings. From the mouths of the bourgeois themselves come complaints of that moral and intellectual decay of the elite of the English laborers which they share with the bourgeoisie itself and to-day indeed they are scarcely more than little bourgeois and are distinguished from them only by a somewhat greater lack of culture. Their highest ideal consists in aping their masters and in maintaining their hypocritical respectability, their admiration for wealth, however it may be obtained, and their spiritless manner of killing

their leisure time. The emancipation of their class appears to them as a foolish dream. Consequently, it is foot-ball, boxing, horse racing and opportunities for gambling which move them the deepest and to which their entire leisure time, their individual powers, and their material means are devoted.

One seeks hopelessly to rouse by political preaching the English laborers to a higher way of life, to a mind capable of nobler considerations. The ethic of the proletariat flows from its revolutionary efforts and it is these which have strengthened and ennobled it. It is the idea of the revolution which has brought about that wonderful elevation of the proletariat from its deepest degradation, which elevation stands as the greatest result of the second half of the nineteenth century.

To this revolutionary idealism we must above all cling fast, then come what will, we can bear the heaviest, attain the highest, and remain worthy of the great historical purpose that awaits us.

Part II. On the Day After the Social Revolution.

I must first of all clear away a suspicion which will be roused in many people by the title of this work. "On the Day after the Revolution!" Does not that mean that we "orthodox" Marxists are only disguised Blanquists who expect by a *coup d' etat* to make ourselves dictators, and is not it a return to Utopianism when I attempt to describe a movement of which we can know nothing as to the circumstances under which it will take place?

I hasten then to remark that I consider the revolution an historical process that may easily draw itself out into a decade of hard battles. On the other side I am thoroughly convinced that it is not our task to invent recipes for the kitchens of the future, and when more than ten years ago the German Social democracy proposed to include in its program demands for such measures as would accelerate the transformation from a capitalist to a socialist manner of production, I opposed this because I maintained that the party could not lay out a definite road for conditions of which we can have only a dim presentiment and which may easily surprise us with much that is wholly unexpected.

But I maintain that it is a help to political

clearness to examine the problems that will grow out of the conquest of political power by us. This is also valuable for propaganda since our opponents frequently assert that our victory will give us unsoluble problems, and we have in our own ranks also people who are unable to paint the results of our victory black enough. According to these people the day of our victory is also the day of our downfall. Therefore it is important to investigate and know how far this is the case.

But if one wishes to attain definite results in this direction and not get lost in endless windings, then we must investigate these problems in a simple form such as never exists in reality and abstracted from all complications. This is a customary process in science whereby one remains entirely conscious that in reality things are never so simple, or develop so smoothly as is the case in the abstraction. I have already said that the social revolution is a process of many years. But to reduce things to their simplest forms we must proceed from the idea that on some fine day the proletariat captures entire political power without restrictions at one stroke and is enabled to exercise it in strict accord with its class interests. The first certainly could not occur and the latter can never be completely the case. The proletariat itself is not sufficiently united nor enough of a uniform

mass to permit such a condition. The proletariat divides into perceptibly different grades, different in their rate of development, different also in their intellectual and economic stage of evolution. It is also very probable that simultaneous with the rise of the proletariat other social grades close to them will be raised, such for example as a portion of the small bourgeoisie, or the small farmers, whose intellectual attitude is not yet fully proletarian. Friction and mistakes of manifold forms will rise from this, so that we shall never come to just what we wish and shall never have exactly that which we should have. We must however at this time leave these disturbing factors out of consideration.

On the other hand we must proceed throughout this investigation from certain assumptions. We cannot accept as our foundation a picture of the conditions as they may develop in the future for this would lead us into fantasies. And yet it is certain that we shall not gain our victory under present conditions. Revolution itself presupposes a long and profound struggle that will in itself greatly change our present social and political structure. After the conquest of political power by the proletariat, problems will arise of which we know nothing and many with which we are occupied to-day will by that time be solved. New means to the solution of these different problems will also arise of which we to-day have no suspicion.

Just as in natural philosophy the laws of falling bodies are investigated in a vacuum and not in moving air so here we investigate the situation of the conquering proletariat under presumptions which cannot occur in their complete purity; that is under the postulate that some morning we shall at a single blow come into complete domination while the means which will be at hand for the solution of our task will be those that exist to-day. We can by this means attain results that will be differentiated from the actual course of coming events in exactly the same way as the laws of falling bodies differ from the actual fall of various substances. But in spite of these variations the laws of falling bodies actually exist and govern the fall of every single substance and the rate of fall of these can only be determined when we have first understood these laws.

So it is that the outlooks and obstacles for the conquering proletariat actually will be discovered in the road we shall take (taking it for granted that we apply our method correctly) and they will undoubtedly play an important role in the social revolution and its resultants, even if the actuality is something wholly different from that we here consider it. And it is only in this way that one can come to scientifically definite judgments concerning the outcome of the revolution. Those to whom this road appears too uncertain to form a basis for prognos-

tication must remain silent whenever this subject is under discussion and simply declare: "Whoever lives will know how it will come out and what is undeniably the proper road."

Only such problems of the social revolution are capable of discussion as can be determined in this manner. Concerning all others no judgment can be made either in this or in any other direction.

THE EXPROPRIATION OF THE EXPROPRIATORS.

Let us imagine then that this fine day has already come, in which at one stroke all power is thrown into the lap of the proletariat. How would it begin? Not how *would* it begin upon the grounds of this or that theory, or opinion, but *must* begin, driven thereto by its class interests and the compulsion of economic necessity.

In the first place it is self-evident that it would recover what the bourgeoisie has lost. It would sweep all remnants of feudalism away and realize that democratic programme for which the bourgeoisie once stood. As the lowest of all classes it is also the most democratic of all classes. It would extend universal suffrage to every individual and establish complete freedom of press and assemblage. It would make the State completely independent of the church and abolish all rights of inheritance. It would establish complete autonomy in all individual communities and abolish militarism.

This last could be brought about in two ways; through the introduction of universal armament and the dissolution of the army. Universal armament is a political measure and dissolution of the army a financial one. The former can under certain conditions cost as much as a standing army. But it is essential to the security of democracy, in order to take away from the government its most powerful means of opposing the people. Dissolution again aims mainly at a diminution of the military budget.

It can, however, be carried through in such a manner as to strengthen still further the power of the government, if in place of an army built on universal compulsory military service an army of characterless slum proletariat is substituted which will lend itself to anything for money. A proletarian regime would necessarily find a way to unite both methods so as to arm the people and to simultaneously make an end of the disturbance brought about by the installation of new weapons, cannons, warships and fortresses.

Undoubtedly the victorious proletariat would also make fundamental reforms in taxation. It would endeavor to abolish all the taxes that today rest upon the laboring population—first of all the indirect ones that increase the cost of living, and would draw the sums necessary to the covering of governmental expenses from the great properties by means of a progressive income tax supplemented by a property tax. I

shall return to this point later. This must suffice for the present suggestion.

A particularly important field for us is that of education. Popular schools have always occupied the attention of proletarian parties and they even played a great role in the old communistic sects of the Middle Ages. It must always be one of the aims of the thinking proletariat to deprive the possessing classes of the monopoly of culture. It is self-evident that the new regime would increase and improve the schools and pay their teachers better. But we would go still further. To be sure the victorious proletariat, no matter how radically minded it may be, cannot at a single stroke abolish class differences, for these have risen from many centuries of development and these causes and their results are not swept away as easily as a chalk mark is wiped from a slate with a sponge. But the school can prepare the road in this direction and contribute very essentially to the abolition of class differences in that all children will be equally well nourished and clothed, and instructed in the same manner while at the same time the possibility of a diverse development of their intellectual and bodily activities is retained.

We must not overvalue the influence of the school. Life is mightier than it and where it comes in opposition to actuality it will certainly be forced to give way. When, for example, the effort is made to-day to abolish class difference

through the schools not much progress can be made. But the school can, when it works in the direction of the existing social development, powerfully assist this movement. Where these social conditions are also operating in the direction of class interests the school can co-operate and, at least within a limited sphere, realize for the generation which is growing up in this period what the whole society of this generation is simultaneously growing toward.

All these are means that bourgeois radicalism has already placed before itself, but a certain power, and a disregard of capital of which no bourgeois class is capable are essential to such an attainment. Such a school as is here outlined would, in Germany, for example, according to the reckoning which I have made in my *Agrarfrage* demand one and a half or two million marks yearly. Almost double the present military budget! Such a sum for school purposes can only be obtained by a proletarian ruled community that does not maintain a respectful attitude towards great incomes.

But the revolution would naturally not stop at these transformations. It would not be simply a bourgeois democratic, but a proletarian revolution. We shall not, as we have already stated, investigate what the proletariat would do upon the basis of this or that theory, for we do not know what theories may appear or under what circumstances the next revolution will be carried through. We will only investigate what

a victorious proletariat, if it is to advance purposefully, will be compelled to do by the pressure of economic conditions.

There is one problem above all others with which the proletarian regime must primarily occupy itself. It will in all cases be compelled to solve the question of the *relief of the unemployed.* Enforced idleness is the greatest curse of the laborer. For him it signifies misery, humiliation, crime. The laborer lives only from the sale of his labor power and when he can find no purchaser for this he is delivered up to hunger. And even when the laborer has found his labor the unemployed still torture him, for he is never secure from the loss of his labor and consequent misery. A proletarian regime would in every case make an end to this condition even if the proletarians were not Socialists but simply Liberals as in England. In just what manner the problem of the unemployed would be solved we shall not here attempt to investigate. There are many different methods, and many plans to this end have been made by sociologists. For example it has been sought from the bourgeois point of view to insure against the necessity of unemployment by taxation, and in part this has been done. But a bourgeois society can only create the most insufficient patchwork in this field because it is itself the bough from which unemployment hangs. Only the proletariat and the victorious proletariat can and will enact the measures which are capable

of completely abolishing the necessity of the unemployed whether this be through sickness or otherwise. An actually effective maintenance of all the unemployed must completely alter the relative strength of the proletariat and capitalist. It will make the proletariat master in the factory. That the laborer of to-day is compelled to sell himself to the employer and that the latter can exploit and enslave him is because of the ghost of the unemployed and the hunger whip that swings above his head. If the laborer can once be secure of existence even when he is not working, nothing would be easier than for him to overthrow capital. He no longer needs capitalists, while the latter cannot continue his business without him. Once things have gone thus far the employer would be beaten in every conflict with his employes and be quickly compelled to give in to them. The capitalists could then perhaps continue to be the directors of the factories, but they would cease to be their masters and exploiters. Once the capitalists recognized, however, that they had the right to bear only the risk and burdens of capitalist business, these men would be the very first ones to renounce the further extension of capitalist production and to demand that their undertakings be purchased because they could no longer carry them on with any advantage. We have already had similar results. This was the case, for example, in Ireland at the time the anti-rent movement

reached its highest point and the land owners were not in a position to forcibly collect their rents. Accordingly it was the landlords themselves who demanded that the State purchase all their landed possessions. We could expect the same from the capitalist undertakers under a proletarian regime, even if this regime was not dominated by socialist theories and did not proceed directly from the point of view of bringing the capitalist means of production into social possession. Capitalists would themselves demand that their means of production be purchased. The political domination of the proletariat and the continuation of the capitalist system of production are irreconcilable. Whoever concedes the possibility of the first must also grant the possibility of the disappearance of the latter.

The question then arises as to what purchasers are at the command of capitalists when they wish to sell their undertakings. A portion of the factories, mines, etc., could be sold directly to the laborers who are working them, and could be henceforth operated co-operatively; another portion could be sold to co-operatives of distribution, and still another to the communities or to the states. It is clear, however, that capital would find its most extensive and generous purchaser in the States or municipalities, and for this very reason the majority of the industries would pass into the possession of the States and municipalities.

That the Social Democrats when they came into control would strive consciously for this solution is well recognized. On the other side, even a proletariat which was not governed by socialist ideas would proceed from the point of view of transforming into State or municipal property those industries which for natural reasons—for example, mines—or through the form of their organization—as, for example, trusts—have become monopolies.

These private monopolies have become unbearable, not simply for the wage-workers, but for all classes of society who do not share in their ownership. It is only the weakness of the bourgeois world, as opposed to capital, which hinders it from taking effective action against these monopolies. A proletarian revolution must from its very necessity lead to the abolition of private property in these monopolies. They are to-day very extensive and dominate in a high grade the whole economic life and develop with great rapidity. Their nationalization and communalization signifies simply the domination of the whole productive process by society and its organs,—the State and municipalities.

The industries which are most prepared for nationalization are the national means of transportation, railroads and steamships, together with those which produce raw material and partially produced goods; for example, mines, forests, iron foundries, machine manufactures

etc. These are also the very spheres where the great industries and trustification are highest developed. The manufacture of raw material and partially produced articles for personal consumption as well as small trading have many local characteristics, and are still largely decentralized. In these spheres the municipality and co-operatives will come more to the front, leaving the national industries to play a secondary role. But with the increasing division of labor, production for direct personal consumption becomes of less and less importance compared with the production of means of production, and therewith also the sphere of governmental production increases. On the other side this field is extended by the development of commerce and of the great industries, which bursts the local bonds of the market for each branch of production one after another, and transforms one after another from a local into a national industry. For example, gas lighting is clearly a municipal business. The development of electric lighting and the transformation of power in mountainous regions makes the nationalization of water power necessary. This operates also to transform illumination from a municipal to a national business. Again, the business of the shoemaker was formerly confined to the local market. The shoe factory does not supply simply the community, but the whole nation, with its production, and is ripe not for communalization, but

for nationalization. The same is true of sugar factories, breweries, etc.

The trend of evolution under a proletarian regime would be towards making the national form of industry predominant.

So much then concerning the property in the *means of production* of the great industries, including those in agriculture. What then is to happen to *money capital* and *landed property?* Money capital is that portion of capital taking the form of interest-bearing loans. The money capitalist fulfills no personal function in the social life, and can without difficulty be at once expropriated. This will be all the more readily done as it is this portion of the capitalist class, the financier, who is most superfluous, and who is continually usurping domination over the whole economic life. He is also the master of the great private monopolies, the trusts, etc., and it is therefore impossible to expropriate industrial capital without including money capital. They are too completely bound up in each other. The socialization of capitalist industry (as one may designate for short the transference to national, municipal and co-operative possession) will carry with it the socialization of the greater part of the money capital. When a factory or a piece of landed property is nationalized, its debts will be also nationalized, and private debts will become public debts. In the case of a corpo-

ration the stockholders will become holders of government bonds.

In this connection comes the consideration of landed property. I refer here to property in land, and not agricultural industry. The great capitalistic socially operated agricultural industries will be subject to the same evolution as the other great industries. They will lose their wage-slaves and be compelled to offer their possessions to the State or municipality for purchase, and will thereby become socialized. The little farming industries may well remain private property. But I shall return to this subject later.

But we are not here discussing agricultural industry, but the ownership of land, independent of industry, the private property in the ground that yields to its possessor ground rent, through leasing or renting or interest on a mortgage, whether the property be urban or rural.

What we said of the money capitalist holds true also of the land owner. He likewise has no longer any personal function to fulfill in the economic life, and can easily be shoved to one side. As noted above in the instance of private monopoly, so with regard to private property in land, we find much opposition even in bourgeois circles, which expresses itself in a demand for socialization, since this private land monopoly is constantly growing more oppressive and injurious, especially in the cities.

Here also nothing is lacking but the necessary power to bring about socialization. The victorious proletariat will furnish this power.

The expropriation of the exploiting classes presents itself purely as a question of power. It proceeds essentially from the economic necessities of the proletariat, and will be the inevitable result of their victory.

CONFISCATION OR COMPENSATION.

The question of the possibility and necessity of the expropriation of the exploiters can be answered with much greater degree of certainty than the question which naturally arises therefrom: Will the expropriation proceed as a process of confiscation or compensation; will the previous possessors be indemnified or not? This is a question which it is impossible to answer to-day. We are not the ones who will have to complete this development. It is now impossible to determine any force inherent in conditions which will make either one answer or the other necessary. In spite of this, there are, however, a number of reasons which indicate that a proletarian regime will seek the road of compensation, and payment of the capitalists and landowners. I will here mention but two of these reasons which appear the most important to me. Money capital, as already stated, has become an impersonal power, and every sum of money can to-day be transformed into money capital without the owner

actively functioning as a capitalist. We know that when a man has saved a mark to-day he can put it out at interest without thereby becoming a capitalist. As is well known, this phenomenon has been widely utilized by the optimistic representatives of the existing order. They conclude that this gives an easy way for the expropriation of the capitalist by the laborers depositing their total of saved pennies in the saving banks or purchasing shares in the corporations with them, and thereby becoming partners in capital. At other times these optimists say that if we were to confiscate capital to-day we must confiscate not alone the capital of the rich, but that of the laborers also, in which case we would be taking away the scanty savings of the poor, the widows and the orphans. In this manner we would arouse great discontent among the laborers themselves, another reason which would tend to provoke them to the overthrow of their own domination, a result which these glorifiers of the existing order await with greatest certainty.

The first assumption I do not need to discuss further. It is too foolish. The people who expect to see capital expropriated by the increase of savings are blind to a much more rapid increase of large private capitals. On the other hand, it is not wholly unjustifiable to say that a proletarian regime pledged to universal confiscation would also confiscate the savings of small traders. That would not be

a reason why the laborers should find their own rule unnecessary. (One must be hard up for plausible arguments against a social revolution when he makes use of such anticipations.) But it might become a reason for the conquering proletariat to stop in the confiscation of the means of production.

If, however, that should happen, one could ask, What justice has the laboring class received from expropriation? It works simply to make all capital become simple money capital; and all the capital being transformed into national, state and co-operative bonds, any surplus value which the capitalists have drawn directly from the laborers will flow to them from the nations, states and co-operatives. Is this in any way to change the condition of the laborer?

This question is wholly justifiable. But even if a proletarian regime should permit the same amount of profit to flow to capital that it had formerly received, the expropriation through a continuance of proletarian rule would have brought great advantages with it, in that a further increase of exploitation from then on would be impossible. Any new application of capital as well as every increase would be excluded together with all increase in ground rent. This alone would be a significant result of proletarian transformation. Every further increase of social wealth would from then on inhere to the good of all society.

But together with this there would come still another advantage. As soon as all the capitalist wealth had taken the form of bonds of states, municipalities and co-operatives, it would be possible to raise a progressive income, property and inheritance tax to a height which until then was impossible. It is one of our demands at the present time that such a tax shall be substituted for all others especially for an indirect tax. But even if we had to-day the power to carry through such a measure with the support of other parties, which is plainly impossible because no bourgeois party would go so far, we would at once find ourselves in the presence of great difficulties. It is a well known fact that the higher the tax the greater the efforts at tax dodging. But when a condition exists where any concealment of income and property is impossible even then we could not be in a position to force the income and property tax as high as we wish because the capitalists, if the tax on their income or property pressed them too closely, would simply leave the State. There have already been instances of this. The State then has the income and property tax without either income or property. Above a certain measure such taxes cannot rise to-day even if we had the political power. The situation however is completely changed when all capitalist property takes the form of public debts. The property that to-day is so hard to find then lies in broad daylight. It would then only be neces-

sary to declare that all bonds must be public and it would be known exactly what was the value of every property and every capitalist income. The tax could then be raised as high as desired without the possibility of tax frauds. It would then also be impossible to avoid taxation by emigration for it is then a public institution of the country and above all of the nation itself from which all interest must flow and the tax could simply be taken from the interest before it was paid out. Under such conditions it would be possible to increase the progressive income and property tax as high as desired. If necessary it might be put so high as to be equivalent, or nearly so, to a confiscation of the great properties.

It might well be asked what advantage is offered by this roundabout way of confiscation of great property instead of taking the direct road. Is it not mere jugglery simply for the purpose of avoiding the *appearance* of confiscation if capital is first compensated for at its full value and then confiscated through tax legislation? The difference between this mode and that of direct confiscation appears to be but formal.

But the difference is not so trifling. Direct confiscation of all capitalists would strike all, the small and the great, those utterly useless to labor and those the most essential to labor in the same manner. It is difficult, often impossible, in this method to separate the large possessions

from the small when these are united in the form of money capital in the same undertaking. Direct confiscation would complete this quickly, often at one stroke, while confiscation through taxation permits the disappearance of capitalist property through a long drawn out process proceeding in the exact degree in which the new order is established and its benevolent influence made perceptible. It makes it possible to extend the process of confiscation over a decade so that it will only be fully operative in the new generation that will have grown up under the new conditions and is therefore not accustomed to reckon with capital and interest. Confiscation in this way loses its harshness, it becomes more acceptable and less painful. The more peaceably the conquest of the political power by the proletariat is attained and the more firmly organized and enlightened it is, the more we can expect that the primitive forms of confiscation will be softened.

I have lingered somewhat longer with this question because it constitutes one of the main objections of our opponents and not because its carrying out is the greatest difficulty that we will meet. The greatest difficulties begin rather after all of the above events. The expropriation of the means of production is relatively the simplest incident among the great transformations of the social revolution. It requires only the necessary power and it is one of the inevitable presumptions of our whole investigation.

The difficulties for the proletarian regime lie not so much in the sphere of property as in that of production.

THE INCENTIVE OF THE LABORER TO LABOR.

We have seen that the social revolution makes the continuation of the capitalist manner of production impossible, and that the political domination of the proletariat is necessarily bound up with the economic uprising against the capitalist manner of production by which its progress is hindered. Production however must continue. It cannot pause even for a few weeks without the whole of society going down. So it is that the victorious proletariat has the imperative task of ensuring the continuance of production in spite of all disturbances, and to lead the laborer back to the factories, or other places of labor upon which they have turned their backs and to keep them there in order that production may go on undisturbed.

What are the means at the disposal of the new regime for the solution of this problem? Certainly not the whip of hunger and still less that of physical compulsion. If there are people who think that the victory of the proletariat is to establish a prison regimentation where each one will be assigned his labor by his superior then they know the proletariat very poorly. The proletariat which will then make its own laws has a much stronger instinct for freedom than any of the servile and pedantic

professors who are crying about the prisonlike character of the future state.

The victorious proletariat will never be satisfied with any prison or barrack-like regulations. Moreover it has no need of anything of the kind since it has other means at its command to hold the laborer to his labor.

In this connection the great power of custom must not be forgotten. Capital has accustomed the modern laborer to work day in and day out and he will not long remain wholly without labor. There are people who are so much accustomed to their work that they do not know what to do with their free time and that feel themselves unhappy when they are not working, and there will be few people who will feel themselves happy for any length of time without any work. I am convinced that when once labor loses the repulsive character of over-work and when the hours of labor are reduced in a reasonable degree, custom alone will suffice to hold the great majority of workers in regular work in factories and mines.

But it is self-evident that we cannot trust to this motive alone as it is the weakest. Another much stronger motive force is the *discipline* of the proletariat. We know that when the union declares a strike the discipline of organized labor is sufficiently strong to make the laborers freely take upon themselves all the dangers and horrors of unemployment and to remain hungry for months in order to secure a victorious con-

clusion for the common cause. Now I believe that when it is possible by the strength of discipline to keep the laborers *out* of the factories it will also be possible to hold them *in* by the same force. If the union once recognizes the necessity of the unbroken regular progress of labor we may be sure that the interest of the whole will be so great that scarcely a single member will leave his post. The same force that the proletariat uses to-day as a weapon to destroy production will then become an effective means to secure the regular continuance of social labor. The higher the economic organization develops to-day the better the outlook for the undisturbed progress of production after the conquest of political power by the proletariat.

But the discipline which lives in the proletariat is not military discipline. It does not mean blind obedience to an authority imposed from above. It is democratic discipline, a free will submission to a self-chosen leadership, and to the decisions of the majority of their own comrades. If this democratic discipline operates in the factory, it presupposes a democratic organization of labor, and that a democratic factory will take the place of the present aristocratic one. It is self evident that a socialist regime would from the beginning seek to organize production democratically. But even if the victorious proletariat did not have this point in view from the beginning they would be driven to it by the necessity of ensuring the

progress of production. The maintenance of social discipline in labor could only be secured by the introduction of union discipline into the processes of production.

This would, however, not be everywhere carried out in the same manner, for each industry has its own peculiarities according to which the organization of the laborers must conform. There are, for example, industries which cannot be operated without a bureaucratic organization, as for example railroads. The democratic organization can be so formed that the laborers choose delegates, who will constitute a sort of parliament, which will fix the conditions of labor and control the government of the bureaucratic machinery. Other industries can be given over to the direction of the unions, and others again can be operated co-operatively. There are also many forms of democratic organizations of industry which are possible, and we need not expect that the organization of all industry would be according to one and the same pattern.

We have seen how the various forms of property would vary and that there would be national, municipal and co-operative property. At the same time, as we saw, private property can still exist in many means of production. Now we see also that the organization of industry takes on manifold forms.

But however powerful motives democratic discipline and the custom of labor may be, they

are perhaps not sufficient to ensure that the entire labor class would continuously take part in production. We need not expect that at any time in present society the economic organization and discipline will include more than the majority of the laboring class. When these shall come into control only a minority of the members will probably be organized. It will be necessary to look for other motives to labor. There is one especially strong motive that is peculiar to a proletarian regime, that is, the attractive power of labor. It will be necessary to make labor, which to-day is a burden, a joy, so that it will be a pleasure to work, so that the laborer will go to his work with pleasure. To be sure that is not so simple a thing, but at least a beginning to it can be made by the proletariat at the beginning of its rule in that it will shorten the hours of labor. At the same time it will endeavor to make the place of labor more hygienic and friendly and to take from the labor process as much as possible its disagreeable repulsive side.

All of this is simply a continuation of efforts that to-day are somewhat developed in all labor legislation. But great advances in this direction demand building and technical changes which cannot be brought about between one day and the next. It will be neither an easy or rapid task to make the work in factories and mines very attractive. Beside the attractiveness of labor another power of attraction will

come into operation through the wages of labor.

I speak here of the wages of labor. What, it will be said, will there be wages in the new society? Shall we not have abolished wage-labor and money? How then can one speak of the wages of labor? These objections would be sound if the social revolution proposed to immediately abolish money. I maintain that this would be impossible. Money is the simplest means known up to the present time which makes it possible in as complicated a mechanism as that of the modern productive process, with its tremendous far-reaching division of labor, to secure the circulation of products and their distribution to the individual members of society. It is the means which makes it possible for each one to satisfy his necessities according to his individual inclination (to be sure within the bounds of his economic power). As a means to such circulation money will be found indispensable until something better is discovered. To be sure many of its functions, especially that of the measure of value, will disappear, at least in internal commerce. A few remarks concerning value will not be out of place here since they relate to what will be of much importance in our future discussion.

There could be no greater error than to consider that one of the tasks of a socialist society is to see that the law of value is brought into perfect operation and that only equivalent values are exchanged. The law of values is

rather a law peculiar to a society of production for exchange.

Production for exchange is that manner of production in which with a developed division of labor independent producers produce for one another. But no manner of production can exist without a definite proportionality in production. The number of labor powers at the disposal of society is limited, and production can only be continued when a corresponding number of productive forces are active in each branch of existing production. In a communistic society labor will be systematically regulated and the labor power be assigned to the individual branches of production according to a definite plan. In the production for exchange this regulation is obtained through the law of value. The value of each product is determined not by the labor time actually applied to it but by the socially necessary time for its production. With the modification that this law receives in capitalist production by profits we are not concerned because this would only unnecessarily complicate the analysis without bringing any new knowledge to the question. The socially necessary labor time in each branch of labor is determined on the one side by the height of its technique in any society and the customary exertion of labor, etc., in short through the average productive power of the individual laborers; on the other side, however, by the number of products demanded by the social necessity of a

particular branch of labor, and finally by the total number of labor powers at the disposal of society. Free competition sees to it to-day that the price of products, that is to say the amount of money that one can exchange for them, is continually tending towards the value determined by the socially necessary labor time. In this manner the result is attained that the production in each department of labor, in spite of the fact that it is not regulated from any central point, never goes very far, or continues long away from the proper level. Without the law of value the anarchy that rules in the production for exchange would soon end in an inextricable chaos.

An example will make this plain. We will make it as simple as possible. As the sum of social production only two different forms of goods are necessary, so far as I am concerned—trousers and suspenders.

Considering then that a society demands as the socially necessary labor within a definite time for the production of trousers 10,000 labor days and for suspenders 1,000, that is to say, this amount of labor is necessary in order to satisfy the social need for trousers and suspenders at the present stage of the productivity of labor. If the product of the labor day is worth one dollar, the value of the trousers will be $10,000 and of the suspenders $1,000.

If the individual laborer deviates from the social form in his production and produces for

example one-half as many products in a labor day as his colleagues, then, the price of his product for a day's labor would be only the half of that inhering to what was produced by the others in a day of labor. This is well known. This happens also if the proportionality of labor is abnormal, for example, if the manufacturers of trousers attract more labor power today than is socially necessary this labor power must be taken away from other places so that the number of labor powers at the disposal of society in this line would be diminished. Take it in the simplest possible form, that they are all drawn away from the tailors. In place of the socially necessary time of 10,000 labor days here and the 1,000 there, we find only 8,000 actual labor days here and 3,000 there. The world is swamped with suspenders and we do not have enough trousers. What will be the result? The price of suspenders sinks and that of trousers rise. The 3,000 actual salable labor days in the manufacture of suspenders will then represent only the value of the 1,000 socially necessary and the value of the individual suspenders will sink to one-third of their former value. The prices will correspondingly sink below these one-third. The value of the trousers will, however, be determined as before by the socially necessary 10,000 and not by the actually supplied 8,000 labor days and as a result the individual producers will be worth five-fourths of their previous price. As a result of

this the manufacture of suspenders will be unprofitable and the number of labor powers devoted to it will decrease and flow again to the manufacture of trousers which has become so extraordinarily profitable.

It is in this manner that the law of value under free competition regulates production. It is not the best conceivable way to regulate production but it is the only one possible with private property in the means of production. With social property in the means of production we shall have instead social regulation of production and the necessity of regulating production by the exchange of equal values will cease. Therewith also will disappear the necessity of money as a measure of value. In place of metallic money we can easily have token money. The price of products themselves can now be determined independent of their value. Meanwhile the amount of labor time embodied will always have an important bearing in determining its value and it is probable that the inherited price would be approximated.

While labor gives value and price to the product and labor must be paid with money there will be wages. In spite of this it would be false if one were to speak of a continuation of the present wage system as is done by many Fabians who say that the object of socialism is not to abolish the wage system but rather to make it universal. That is only superficially correct. As a matter of fact wages under the

proletarian regime would be something wholly different from under capitalism. To-day it is the price of the commodity—labor power. This is determined in the last analysis by the cost of subsistence of the laborer, while its minor variations depend upon the operation of supply and demand. In a society ruled by the proletariat this would stop, as the laborer would no longer be compelled to sell his labor power. This labor power would cease to be a commodity whose price is determined by its cost of re-production, and its price would become independent of the relation between supply and demand. That which to-day determines in the last analysis the height of wages is the number of products to be divided among the laboring class, the larger this number the higher can and will the general level of wages rise. All things considered the proportioning of the wages of labor among the different branches of industry is largely influenced by supply and demand, and since the laborers cannot be assigned by military discipline and against their wishes to the various branches of industry, so it may happen that too many laborers rush into certain branches of industry while a lack of laborers is the rule in others. The necessary balance can then only be brought about by the reduction of wages where there are too many laborers and the raising of them in those branches of industry where there is a lack of laborers until the point is reached where every branch has as many laborers as it

can use. But the relation between supply and demand has really no influence upon a universal levelling of the wages of the entire laboring class which is determined only by the amount of existing product. A universal decline in wages as the result of over-production is impossible. The more there is produced the higher in general are the wages.

Now the following question arises. If the continuous progress of production is to be secured it will then be necessary to hold the laborers to production by a universal raising of wages. Whence then shall this increase of wages be paid and whence shall come the necessary amount of product?

If we accept the most favorable conditions for the new regime, which we have not done, with all property confiscated, and with the total income of the capitalists flowing to the laborers, this in itself would give a very handsome rise in wages. I have pointed out in my writings on "Reform and Revolution" the statistics of England in the year 1891 where the amount of the income of the laborers was seven hundred million pounds sterling and where the amount of the income of the capitalists was in the neighborhood of eight hundred million pounds sterling. I have further shown that these statistics in my opinion were painted too rosily. I have reason to believe that they calculate the wages too high and the capitalist income too low. If we take, however, these figures of 1891 they will show

that if the income of the capitalist was directed to the laborers wages would be doubled. But unfortunately things are not to be done so simply. When we expropriate capital we must at the same time take over its social functions. The most important of these is the accumulation of capital. Capitalists do not consume their entire income. A portion they lay aside for the extension of production. A proletarian regime would be obliged to do the same since it too must extend production. Accordingly for this reason even the most radical confiscation of capital could not turn its entire previous income to the laboring class. Even from the surplus value that the capitalists pocket they must again give up a portion in the form of taxes to the State. This share would increase enormously when the progressive income and property tax are the only forms of state and municipal taxation. And the burden of taxation would not diminish. I have pointed out above at what cost the re-arrangement of the school system alone could be brought about and besides this an old age insurance for all incapable of labor, etc., would be instituted.

We shall see that there is none too much remaining over from the present income of the capitalist to be applied to the raising of wages even if we confiscate capital at one stroke. There is even less if we wish to compensate the capitalist. It would then be absolutely neces-

sary if we were to raise the wages of labor to raise production above its present amount.

It will be one of the imperative tasks of the social revolution not simply to continue but to increase production. The victorious proletariat must extend production rapidly if it is to be able to satisfy the enormous demands that will be made upon the new regime.

INCREASE IN PRODUCTION.

There are various means by which production can be increased. Two of the most important of these have already attained great significance. Both have been applied with great results by the trusts of America from which very much can be learned concerning the methods of the social revolution. They show us how at a single stroke the productivity of labor can be increased simply by concentrating the total production in the most perfect industrial plants and throwing all those out of operation which do not attain a definite standard. The Sugar Trust, for example, a few years ago consigned all but about one-fourth of the industrial plants which it possessed to idleness and in this one-fourth it has produced as much as previously in the whole number. The whiskey trust also obtained eighty large distilleries and, at once put out of operation sixty-eight out of the eighty. It is only operating twelve distilleries but in these twelve it produces even more than hitherto in the eighty. A prole-

tarian regime could proceed in the same manner. It could do this even easier because it would not be hindered by private property. Where individual industries are private property, the culling out of the inefficient by way of free competition is a very slow process. The trusts can only displace the less productive industries through the fact that they have destroyed private property in them by uniting all under one head. The method which the trusts can only apply to a relatively small sphere of production may be extended by a proletarian regime to the whole sphere of social production, since it will have totally abolished capitalistic private property. This method of increasing productivity by the culling out of inefficient industries will not be distinguished from the similar operation by the trusts of to-day simply by the extent of the operation but also in that it will include other methods and other purposes. The new regime will carry out this change principally in order to increase wages. The Trust on the other hand goes its way without regard to the laborers. Those laborers who are rendered superfluous by reduction of surplus industries it simply discharges. It utilizes them mainly as a means of pressing down the wages of the laborers who are at work and in increasing their dependence. Very naturally a victorious laboring class would proceed differently. It would transfer the laborers rendered superfluous by the closing of industries to other

industries where their activity would continue. The trusts rather make the laborers superfluous because it is not their intention to perceptibly increase production. The greater the increase in the amount of products the greater the supply and the lower, under otherwise equal conditions, is the price. The trusts fight against all decline in prices. They would much rather limit production than extend it. When they produce only in the most efficient plants, this is done simply to reduce the cost of production and to increase profits, with the same or even an increased price, and not for the purpose of extending production. A proletarian regime, however, would act for the purpose of extending production, for it does not desire to raise profits but rather wages. It also would increase the number of laborers in the best industrial plants and it would thereby increase production, because in each plant more classes of laborers would work together. How possible this is and how much production will be influenced thereby I can explain by an example whose figures are taken wholly from the imagination and have no equivalent in reality but that nevertheless are not simply fantastic pictures but a real representation of things which find their counterpart in the trusts. Take, for example, the German textile industry which includes to-day a round million laborers (in 1895 993,257). Of these the great majority (in 1895 587,579) were occupied in plants which employed not more than

50 laborers. We take it for granted that the larger and the more comprehensive plant is always technically the more perfect. To be sure this is not true in all cases. It is possible that a factory with 20 laborers may be technically better organized than one in the same branch of industry with 80 laborers. But on an average the former statement would hold true and we can accept it all the more readily as we use it only as an example for the purpose of illustration and not as a proposition. Let us take it for granted that the most imperfect factories are those employing less than 50 laborers. All these would be closed and the work in them transferred to those factories in which more than 50 laborers were employed. These could then be divided into two shifts working one after the other. If the hours of labor are ten to eleven a day now each shift could then have its hours reduced to eight. From that time on the industry would run daily six hours more and its machinery would be so much the better used, while at the same time the hours of labor for each laborer would be shortened by two hours. We can take it for granted that the production of each individual would not be decreased thereby as we have had countless examples showing that the advantages of the shortened labor time generally, at least, outweigh the disadvantages. Considering that a laborer in the most imperfect industry to-day produces an amount of product which represents

the value of 2,000 marks and that labor in the great industries is 100 per cent. more productive (Sinzheimer makes a similar estimate of the productivity of the large and small industries) so that each laborer in a great industry would produce the value of 4,000 marks. The half million laborers in the small factories of the textile industries produce an amount of products having a value of a billion marks. The other half million laborers in the great industries produce in the same time an amount of products valued at two billion marks. The million of laborers can produce a product of the value of three million marks.

Under the new regime when the laborers were all concentrated in the great factories with more than fifty laborers, each laborer would produce to the value of 4,000 marks a year and the total production of the textile laborers would amount to four billion marks or one billion more than they formerly produced. For the purpose of comparison we consider that values would still be produced.

We can go still further and close not simply the small but the medium sized factories and concentrate the total textile production in the great factories employing more than 200 laborers. The total number of laborers employed in such factories in 1895 amounted to 350,306, or almost one-third of the total textile workers. Under these conditions it would be necessary to work the laborers in three shifts in order to em-

ploy all the laborers in the great factories alone and in order to avoid the night work while shortening the labor time of a day to five hours or half of the present time. To-day the laborer in the great industry produces perhaps four times as much as the one in the small industry, or according to our previous wholly arbitrary illustration about 8,000 marks a year. By the shortening of the labor time his product would not be reduced in equal degree because the better rested laborer will produce more than the over-worked one. We may accept the hypothesis that he could produce as much in eight hours as he to-day produces in ten. We would not be reckoning things too optimistically if we went further and considered that by shortening the labor time from eight to five hours the production of the laborer would not be lowered more than 25 per cent, certainly not as much as 37 per cent. Accordingly each laborer would produce at least 5,000 perhaps 6,000 marks in each year, and all together would produce five to six billion. The total production would therefore, as compared with the present, be doubled and the wages could be correspondingly doubled and this absolutely without any reference to confiscation of capital while at the same time the labor time would be reduced one-half. Indeed under certain conditions the increase of wages on the basis of the figures here given could be still greater. Let us assume that of the present yearly product of the textile industry,

which we have called three billion, one billion is applied to wages and the second to the purchase of raw materials, machines, etc., and the third to the profit of capital. Now under the new regime six billion would be produced. Of this two would be applied to raw materials, machines and such like. One would serve for compensation to the expropriated capitalists and the completion of the previously mentioned social activity. This would leave three billion for wages. This would permit a tripling of wages. And all this without any new plans or new machinery, but simply through the closing of the little industries and transference of their laborers to the large ones. We simply need to do on a large scale what the trusts are doing on a small. It is only the private ownership of the means of production that hinders the development of modern production.

This method develops still another side. Our critics are very ready to tell us that for a long time it will be impossible to socialize production because the number of existing productive establishments is much too great and it will take too long a time for competition to crush out all the little industries and therewith create a possibility of socialist production. If the number of all the industrial plants in the German empire amounts to $2\frac{1}{2}$ million and those of the textile alone to over 200,000, how could one possibly manage such a number of industries nationally?

Certainly the task appears alarming but it is very much reduced when we consider that the proletarian regime will apply the methods of the trust, and while it will expropriate all the industries at once, only the best equipped large industries will be further operated. Of the 200,000 textile industries there are only 3,000 which employ more than 50 workingmen. It is clear that the concentration of industry in these latter plants would very much simplify the task of the social regulation of production. It will be still simpler when we consider that the new regime will have closed up all plants employing less than 200 laborers. Of the 200,000 there would then only remain 800. To control and supervise this number of industries is certainly no longer an impossibility.

Here again there is another significant point of view. Our opponents and the pessimists in our own ranks measure the ripeness of our present society for social production by the number of ruins which are still strewn round it and of which it is still incapable of ridding itself. Over and over again the great number of little industries that still exist is triumphantly pointed out. But the ripeness for Socialism does not depend on the number of little industries that *yet* remain, but upon the number of great industries which *already* exist. Without a developed great industry socialism is impossible. Where, however, a great industry exists to a considerable degree it is easy for a socialist so-

ciety to concentrate production and to quickly rid itself of the little industry. The socialist birds of ill omen, that simply know enough to announce the coming of ill luck by their warning croaks, continuously raise an obstinate clamor about the fact that the number of little industries in the German empire has increased 1⅓ per cent from 1882 to 1895. But they are blind to the fact that in the same period the number of large industries with more than fifty employes increased about 90 per cent, while the gigantic industries employing over 1,000 persons increased in the neighborhood of 100 per cent. It is this increase that is the preliminary condition of socialism and this is richly fulfilled. Even if the small industry does not absolutely decrease, that simply shows that the number of ruins which the proletarian regime will have to sweep away is still considerable. Meanwhile the trusts promise to greatly assist us in this respect.

In other directions also they offer us a forecast. The present trusts increase their profits not merely through increasing the productivity of their employes but also by economies of different forms. Socialist production must make use of these same methods in still higher degree. Among these economies are those relating to machinery, by products and cost of transportation. Taking an example from the textile industry, which demands a wholly different expenditure to transport the raw material and ac-

cessories to production for 200,000 than for 800,000 industrial plants. The same is the case with the cost of the supervision of industries. Of the 200,000 industries, the smallest to be sure demands practically no supervision. In this class are those with less than five laborers. Here the manager is also a worker. Over 12,000 exceed this limit. But their supervision also demands considerably more directive power than those of 800. Other savings are attained in that the trusts abolish the struggle of competing industries for markets. Since their appearance in the United States the number of commercial travelers employed has decreased. One of the most striking of these cases is instanced by J. W. Jenks in his treatise concerning the trust. The extension of production has so increased that the number of unskilled laborers employed in these plants have increased 51 per cent and of the skilled 14 per cent. At the same time the number of commercial travelers has decreased 75 per cent. Jenks also states that many trusts have, according to their own statements, saved from 40 to 85 per cent of their advertising expenses.

Finally the raising of wages in industry would set free a large number of labor powers whose existence to-day is merely parasitic. They maintain a wretched existence to-day in their little shops, not because these shops are a necessity but because their possessors are in despair of finding their bread in any other place or be-

cause they cannot earn enough by wage labor and seek a supplementary occupation.

Of the almost two million people who are occupied to-day in the German Empire in trade and commerce (exclusive of the post office and railroads) and hotel keeping perhaps a million would, with a sufficiently high wage in industry and sufficient demand for labor powers, be transferred from parasitic to productive activity.

These are the two methods for increasing the productive powers of the laboring class: The abolition of parasitic industry and the concentration of industries in the most perfect plants. By the application of these two means a proletarian regime can raise production at once to so high a level that it would be possible to considerably increase wages and simultaneously reduce the hours of labor. Every increase in wages and reduction of hours must again increase the attractiveness of labor and draw new laborers to production who were formerly parasitic, such for example as servants, small merchants, etc. The higher the wages the more laborers. But in a socialist society one can transform this saying into "the more workers the fewer the illdoers in society, the more produced and the greater the wages." This law would be absurd in a society of free competition where the greater the supply of laborers, under otherwise equal conditions, the lower the de-

scent of wages. It is a law of wages for the socialist system of production.

THE ORGANIZATION OF THE PRODUCTIVE PROCESS.

The application of the two above mentioned methods of the trust to production have not exhausted the resources of the proletarian regime in relation to the increase of production. The productive process considered as a continuous transaction, as a reproductive process demands an undisturbed continuation, not simply of production, but also of circulation. If production is to go on without interruption it is necessary not simply that there be laborers for the creation of products, but it is also necessary that there be no break in the securing of raw materials and essentials of production, the necessary tools and machines, and the means of sustenance for the laborers, and that no interruption occur and that the finished product find a sale.

A stoppage in circulation signifies an economic crisis. It stops in some cases because too much is produced of some wares. In this case the industrial plants from which these products came cannot further function in their full capacity because of the lack of sale for their products. They receive no money for their products and the result of this is they lack the means to buy raw materials, to pay wages and so forth.

But crises can also occur because too little of many of certain wares have been produced, as for instance was the case in the crisis of the English cotton industry at the time of the war of the Rebellion in the United States, which for some time greatly disturbed the production of cotton.

The crises are the worst scourges of the modern productive system. To abolish them is one of the most important tasks of a proletarian regime. This can be done only through the systematic regulation of production and circulation as well as of re-production.

It has already been admitted that the object of socialism is the organization of production. But a portion of this problem is already solved by capital in that it substitutes for a number of little independent industries the organization of production into one great industry in which thousands of laborers are employed. The trusts have already accomplished the organization of whole branches of industry.

What, however, only a proletarian regime can accomplish is the systematic regulation and circulation of products, the exchange between industry and industry, between producers and consumers, in which the idea of consumption is taken in its highest sense, so as to include not simply personal but productive consumption. The weaver for example consumes yarn in productive consumption while the piece of bread that he eats is included in personal consumption.

The proletarian can only accomplish this regulation of the circulation of products by the abolition of private property in industry, and it not only can do this but it must do it if the process of production is to proceed under its direction and its regime is to be permanent. It must fix the height of production of each individual social productive plant according to the basis calculated upon the existing productive power (laborers and means of production) and of the existing needs, and see to it that each productive plant has not only the necessary laborers but also the necessary means of production and that the necessary products are delivered to the consumers.

Is not this task however insoluble in the great modern States? It would presuppose that in Germany the State is to become the director of production of two million productive plants and to act as medium for the circulation of this product, which will come to it partially in the form of means of production and partially as means of consumption to be distributed to sixty million consumers, of which each one has a special and changing need. The task appears overwhelming if one does not proceed from the point of view of regulating the necessities of humanity from above according to a very simple pattern and assigning to each one, barrack fashion, his portion, which would mean the lowering of modern civilization to a much lower

stage. Are we destined then to come to a barrack or prison-like State?

Certainly the problem is not simple. It is the most difficult which will come to the proletarian regime and will furnish it with many hard nuts to crack. But its difficulties must not be exaggerated.

In the first place it must be remembered that we are not compelled to create out of nothing over night a complete organization of production and circulation. There is one existing at present of a certain character, or otherwise the existence of the present society would be impossible. The question is simply to transform this organization, which has hitherto been an unconscious one going on behind the shoulders of those engaged in it with friction, sorrow and woe, bankruptcies and crises, under the operation of the law of value, ever being readjusted, into a conscious system in which a previous calculation of all modifying factors will take the place of the retroactive corrections through the play of supply and demand. There is a proportionality between the different branches of labor to-day even though it is wholly incomplete and incompetent; it is necessary, not to introduce, but rather to make complete and permanent. As with money and with prices it is necessary to connect with that which is historically descended and not to build everything from the ground anew; but only to broaden out at some points or to restrict others

and to formulate more clearly the loose relations.

This problem is considerably restricted by the fact already discussed that the concentration of production in the most perfect productive plants has already perceptibly decreased the number of industries. Of the 2,146,972 businesses which constituted the industry of the German Empire in 1895 there were only 17,941 great businesses having more than 50 laborers (and these contained three million laborers out of the total number of eight million industrial workers). To be sure I do not assert that only these great industries will be retained in activity. To attempt to give absolutely exact figures of a future condition would be absurd. All the numbers herewith printed have simply the purpose of illustrating the problems which arise and not of narrowly setting forth how things will be formulated in reality. The relation of two million industrial plants to 18,000 great industries shows that the number of industrial plants would be perceptibly decreased under a proletarian regime.

But the difficulties of the organization of production and circulation can be diminished in other directions as well as by a decrease in the number of plants. Production can be divided into two great fields; those in which the production is for consumption and those in which production is for production. The production of means of production, thanks to the

extensive division of labor, has become to-day the most important portion of production and it continues to increase steadily. Scarcely a single article of consumption comes from the hand of a single producer, but all run through a number of productive processes so that those who finally fit it for our use are only the last in a long row of producers. The production of articles for consumption and for the means of production have a wholly different character. The production for further production belongs to the domain of gigantic industries such as the iron industry, mining, etc. These are all highly organized in owner's agreements, cartels, etc. But even among the users of these means of production, operator's agreements are already very extensive. In most cases in this field to-day the individual operator does not deal with individual operators, but union of operators with union of operators, industrial branch deals with industrial branch, and those places where the union of operators is least developed are just the regions in which there are relatively few producers and few consumers dealing with each other. For consumption is here not by an individual but by a whole industry. In the manufacture of spinning and weaving machines, for example, there were in 1895 1,152 businesses with 17,047 laborers. Of these, however, there were 774 industries which had only 1,474 laborers and were scarcely to be considered. Among the great industries there were only 73

with 10,755 laborers. Opposed to these were 200,000 textile industries (not simply spinners and weavers) whose numbers, as we have seen, may be reduced to a thousand or perhaps to a hundred. On the one side there remained after the completion of the concentration of production in the most perfect industries perhaps 50 manufacturers of machinery and on the other side 2,000 spinning and weaving establishments. Is it then so impossible that the former should agree with the latter in regard to the demand for machines, and that their production should be systematically regulated?

With this relatively small number of purchasers and consumers it is easily conceivable that in the sphere of the production of the means of production to-day, production for the open market has already disappeared and production for orders, that is to say, regulated, thoughtful production and circulation has taken its place.

The production of articles for consumption has another character. To be sure we have here the gigantic industries (sugar factories and breweries), but as a general thing the little industry is still generally dominant. Here it is necessary to satisfy the individual needs of the market, and the small industry can do this better than the large. The number of productive plants is here large and would not ordinarily be capable of reduction as in the production of means of production. Here also pro

duction for the open market still rules. But because of the greater number of consumers this is much more difficult to supervise than is production for production. The number of operators' agreements is fewer here. The organization of the production and circulation of all articles of consumption accordingly offers much greater difficulties than that of the means of production.

Here also we must again distinguish the two forms, namely: the production of necessary articles of consumption, and of luxuries. The demand for necessary articles of consumption ordinarily shows rather small fluctuations. It is quite definite. Day in and day out one needs the same amount of flour, bread, meat and vegetables. Year in and year out there is little change in the demand for boots and linen. On the other hand, the demand for means of consumption changes the more readily the more these take on the character of unnecessary luxuries, whose possession or use is agreeable but not indispensable. Here consumption is much more whimsical, but when we look closer we see that this really proceeds much less from the purchasing individual than from the industry itself. Changes in fashion, for example, spring not so much from the changes in taste of the public as from the necessity of the producer to render impossible of further use the old wares which have already been sold, in order to thereby appeal to consumers to purchase new

wares. The new and modern goods must accordingly be very strikingly distinguished from the old. Next to the restlessness which lies in the very nature of the modern manner of production, this strife of the producer is the main cause of the rapid changes of fashion. It is this which first produces the new fashions and then makes them necessary to the public.

The variations in demand for articles of consumption, especially of luxuries, are influenced much more by the variations in the income of the consumers than by variations in taste. These last variations again, so far as they do not remain isolated but really have a wide extension through society, so as to perceptibly influence consumption, arise from the contrast between prosperity and crises, from the contrast between the strong demand for labor and the increase of enforced idleness. When, however, we investigate the source of these variations we find that they spring from the field of the production of the means of production. It is universally known and recognized that to-day it is the iron industry especially which gives rise to crises.

The alternation between prosperity and crises and therewith the great variations in the demand for articles of consumption also arises out of the sphere of the production of the means of production. In the other sphere, as we have already seen, the concentration of industry and the organization of production is already so far

developed that it has made possible a really complete organization of production and circulation. Stability in the production of means of production carries with it stability in demand for means of consumption, and this can be easily established by the State without direct regulation of consumption.

Only one phase of the disturbances in circulation which spring from production is of importance to the proletarian regime,—only under-production, never over-production. To-day the latter is the principal cause of crises, for the greatest difficulty at present is the sale, or getting rid of the product. The purchase of goods, the procuring of the products that one needs, ordinarily causes very little complaint from those lucky ones who have the necessary small change in their pockets. Under proletarian regime this relation would be reversed. There will be no need of anxiety regarding the disposal of the products when completed. Private individuals will not be purchasing for sale to other private individuals, but society will be purchasing for its own necessities. A crisis can then only arise when a sufficient amount of a number of products has not been produced to supply the need either for production or personal consumption. If accordingly there are here and there, or even anywhere, too much produced this will signify only a wasting of labor power and a loss for society, but will not hinder the progress of production and consump-

tion. It will be the principal anxiety of the new regime to see to it that there is not insufficient production in any sphere. Accordingly it will, to be sure, also take care that no labor power is wasted in superfluous production, for every such waste signifies an abstraction from all the others and an unnecessary extension of the labor time.

THE REMNANTS OF PRIVATE PROPERTY IN THE MEANS OF PRODUCTION.

We have seen that the proletarian regime would make short work of the smaller businesses where they represent the little, undeveloped plants, not only in industry but also in exchange.

The efforts referred to above for the organization of circulation would also lead to the greatest possible abolition of the little middlemen by crushing them out, partially through co-operatives for consumption, partly through extension of municipal activity. Superintendence and organization of the productive processes will be much easier when it is not necessary to deal with countless operators, but rather with only a few organizations.

Besides the work of the middle-men the direct producers of articles of consumption for local necessity would fall to the co-operatives and municipalities—for example, bakeries, milk and vegetable production and erection of buildings.

But it is not to be expected that all small private industries will disappear in this manner. This will be specially true in agriculture. To be sure those agricultural plants which have already become capitalist industries would fall with the wage system and be transformed into national, municipal or co-operative businesses. Therewith a large number of the little competing farmers of to-day would cease to exist and go as laborers into the industrial or agricultural great industry, because they could there secure a respectable existence. But we may be sure that some farmers would always remain with their own family, or at the most with one assistant, or maid that will be reckoned as part of the family, and would continue their little industry. With the present conservative nature of our farmers it is highly probable that a number of them would continue to work in the present manner. The proletarian governmental power would have absolutely no inclination to take over such little businesses. As yet no socialist who is to be taken seriously has ever demanded that the farmers should be exappropriated, or that their goods should be confiscated. It is much more probable that each little farmer would be permitted to work on as he has previously done. The farmer has nothing to fear from a socialist regime.

Indeed it is highly probable that these agricultural industries would receive considerable strengthening through the new regime. It

would bring an abolition of militarism, of burdens of taxation, bring self-government and nationalism of schools and road taxes, an abolition of poor relief and perhaps also a lowering of mortgage burdens, and many other advantages. We have also seen that the victorious proletariat has every reason to increase the amount of products, and among those products for which the demand would be increased, the most important are agricultural products. In spite of all the refutation of the theory of increasing misery there is still much hunger to satisfy, and this fact alone justifies us in the opinion that the raising of wages would show itself above all in an increase of the demand for agricultural products. The proletarian regime would also have the greatest interest in increasing the production of the farmers and it would have powerful forces at its disposal for this purpose. Its own interests demand that the agricultural industry should be brought to a higher stage through the care of animals, machines and fertilizers, through improvement of the soil, etc. It would in this manner assist in increasing agricultural products, including those in the industries not yet socialized.

But here, as well as in every sphere, conditions would make it necessary to simplify the circulation process by substituting for a large number of private individuals trading their products with one another a few organizations united for economic purposes. The State

would much prefer instead of selling breeding animals, machines and fertilizers to the individual farmers to deal with the farmers' societies and co-operatives. These societies and co-operatives would find as the purchasers of their products no longer private middle-men, but either co-operatives, unions for consumption, municipalities or national industries (mills, sugar factories, breweries and such like). So here also the private industry would continually recede before the social, and the latter would finally transform the agricultural industry itself and permit the development of many such industries through the co-operative or municipal co-operative into one great social industry. The farmers will combine their possessions and operate them in common, especially when they see how the social operation of the expropriated great industry proves that with the same expenditure of labor perceptibly more can be produced, or that with the same number of products the laborers can be granted considerably more leisure than is possible in the small industry. If the small industry is still able to assert itself in agriculture this is due not a little to the fact that it can pump more labor out of its laborers than the great industry. It is undeniable that farmers work harder than the wage workers of the great land owners. The farmer has scarcely any free time, and even during the little free time that he has he must be continually studying how he can im-

prove his business. There is nothing else in his life but his business, and that is also one of the reasons why he is so hard for us to gain.

But this holds true only for the older generation; the younger generation is conscious of other things. They feel a strong impulse towards enjoyments and pleasures, towards joy, and also towards a higher culture, and because they cannot satisfy these impulses in the country they stream into the cities and populate the level plains. When once the farmer sees, however, that he can remain in agriculture without being compelled to renounce leisure and culture he will no longer flee from agriculture, but will simply move from the little industry to the great and therewith the last fortress of private property will disappear.

But the victorious proletariat will not consider a violent hastening of this development, and this for the very good reason that it does not feel itself called upon to get its head cracked without any necessity. And this has been the result of every attempt to force the farmers to a new stage of production. However high may be my estimate of the belligerency and fearlessness of the proletariat, its struggle is not directed against the little people that are themselves exploited, but against the great exploiters.

Along with agriculture the small industry in business comes into consideration. This also need not completely disappear at once. To be

sure the new regime, as we have already seen, would, whenever poorly organized industry came in competition with the more perfect, strive to concentrate production in the well directed great industries. This could be easily attained, however, without the application of force by the simple raising of wages. But there will always be branches of industry in which the machine cannot compete successfully with hand labor, or, cannot accomplish what the latter can accomplish. It is highly significant that an investigation of the factory statistics of the German empire did not yield a single form of production in which the small industry still exclusively rules, with one insignificant exception (four plants each with one laborer). A few figures that, so far as I know, have never yet been published are here given. In the following branches of industry the small business rules almost exclusively, more than 97 per cent of all industries, while the great business with more than fifty laborers does not exist at all:

	Number of Factories With		
	1 to 5 Workers.	6 to 50 Workers.	No. of Motors.
Makers of whetstones	77	2	52
Makers of violins.....	1,037	24	5
Preparation of anatomical material	126	3	
Scavengers	971	2	11

	Number of Factories With		
	1 to 5 Workers.	6 to 50 Workers.	No. of Motors.
Spinners (materials not given)	275	3	2
Weavers (materials not given)	608	6	5
Rubber toys	4		
Barbers, hairdressers, wigmakers	60,035	470	6
Cleaners of clothes and bootblacks	744	4	7
Chimneysweeps	3,860	26	
Sculptors and painters	5,630	84	2

If we exclude painters, barbers, chimneysweeps, violin makers and, according to my opinion, also scavengers and bootblacks, this reduces the field of existing small businesses, in industries which are outside the field of competition of great industries, to practically nil.

Nevertheless it may be granted that the small industry will have a definite position in the future in many branches of industry that produce directly for human consumption, for the machines manufacture essentially only products in bulk, while many purchasers desire that their personal taste shall be considered. It is easily possible that even under a proletarian regime the number of small businesses may increase as the well being of the masses increases. The demand for products of hand labor as a result

of this may become active. Artistic hand work may accordingly receive a new impulse. However, we need not expect the realization of the picture of the future that William Morris has painted for us in his beautiful Utopia, in which the machine plays no role whatever. The machine will remain the ruler of the productive process. It will never give up this position again to hand labor. This, however, does not exclude the possibility that hand work in many artistic branches will again flourish and that it will even conquer many new fields. Meanwhile it to-day too often maintains its existence only as the product of extreme misery. As a house industry hand work in a socialist society can only exist as an expensive luxury which may in a universal well being find an extensive distribution. The foundation of the productive process will still remain the machine-driven great industry. The problematical small industries will at the most be maintained as islands in the ocean of the great social businesses.

These little industries, again, can take on the most various forms in regard to the ownership of their means of production and the disposal of their products. They may be dependent upon a great national or municipal industry, from which they receive their raw material and tools and to which they dispose of their products. They can produce for private customers, or for the open market, etc. As to-day, so then, a laborer can occupy himself in the most

diverse occupations one after another. A seamstress, for example, can occupy herself for a time in a national factory, and at another time make dresses for private customers at home, then again can sew for another customer in her own house, and finally she may, with a few comrades, unite in a co-operative for the manufacture of clothing for sale.

In this, as in every other relation, the greatest diversity and possibility of change will rule. Nothing is more false than to represent the socialist society as a simple, rigid mechanism whose wheels when once set in motion run on continuously in the same manner.

The most manifold forms of property in the means of production—national, municipal, co-operatives of consumption and production, and private can exist beside each other in a socialist society—the most diverse forms of industrial organization, bureaucratic, trades union, co-operative and individual; the most diverse forms of remuneration of labor, fixed wages, time wages, piece wages, participation in the economics in raw material, machinery, etc., participation in the results of intensive labor; the most diverse forms of circulation of products, like contract by purchase from the warehouses of the State, from municipalities, from co-operatives of production, from producers themselves, etc., etc. The same manifold character of economic mechanism that exists to-day is possible in a socialistic society. Only the hunt-

ing and the hunted, the struggling and resisting, the annihilated and being annihilated of the present competitive struggle are excluded and therewith the contrast between exploiter and exploited.

INTELLECTUAL PRODUCTION.

So much for the most important economic problems that arise from the political victory of the proletariat and the means to their solution. It would be very alluring in this connection to follow these conditions further, to investigate the problems which housing and international commerce, the relations of city and country, etc., carry with them, all of which will be deeply touched by the domination of the proletariat and cannot continue in their present manner. But I must turn from the discussion of these themes at this point because I have said elsewhere the most essential things that I have to say upon them (the position of a socialist community in relation to colonies and world's commerce I have discussed in my preface to "Atlanticus, A View of the Future State," p. XIX, and "The Future of the Individual Home," in my Agrarfrage, p. 447, etc.). I wish to discuss only one point in this connection about which much indefiniteness exists—the future of intellectual production.

We have here hitherto only investigated the problem of material production which is most fundamental. But upon this basis there arises

a production of artistic works, scientific investigation and literary activities of various forms. The continuation of this production is no less necessary for modern civilization than the undisturbed continuance of the production of bread and meat, coal and iron. A proletarian revolution, however, renders its continuance in the former manner impossible. What has it to substitute therefor? That no reasonable man to-day fears that the victorious proletariat will cause a return to the old condition of barbarism or that it will fling art and science and superfluous rubbish into the lumber room, but that on the contrary it is just among those broad popular sections of the proletariat that the most interest and the highest regard for art and science is to be found, I have already shown in my essay concerning "Reform and Revolution." But my whole inquiry is not so much in the nature of an investigation into what the victorious proletariat might do as to what by virtue of the power of logic and facts it can and must do.

There will be no lack of the necessary material objects for art and science. We have already seen that it is one of the strong points of the proletarian regime that through the abolition of private property in the means of production the possibility will be created of wiping out in the quickest possible manner the ruins of the outgrown means and methods of production which to-day prevent the unfolding of the

modern productive powers and which beneath the present dominion of private property can only be slowly and incompletely swept out of the road by competition. The wealth of society must thereby at once attain a level far above that inherited from capitalist society.

But material objects alone are not sufficient to secure this elevation. Wealth alone does not give rise to a great ideal life. The question is whether the conditions of production of material goods in socialist society are consistent with the necessary conditions of a highly developed intellectual production. This is strongly denied by our opponents.

Let us next examine some forms of existing intellectual production. It takes on three forms: production through organs of society for direct satisfaction of social needs; then, the production of goods in individual industries, and finally the production of goods under capitalist industry.

To the first form of intellectual production belongs the whole system of education from kindergartens to universities. If we disregard the insignificant private schools, this is to-day almost wholly in the hands of society and is conducted by the State not for the purpose of making profits or on account of gain. This holds above all of the modern national and municipal schools, but also of those which are mainly ruins descended from the Middle Ages, but which still exist under clerical organization and com-

munity support, and which are especially prominent in the land of Anglo-Saxon culture.

This social educational system is of the highest significance for the intellectual life, especially for the scientific, and this is not simply through its influence upon the growing youth. It controls ever more and more scientific investigation in that its teachers, especially in the high schools, have more and more a monopoly of scientific apparatus without which scientific investigation is to-day almost impossible. This is especially true in the field of the natural sciences whose technique has become so highly developed that, aside from a few millionaires, the State alone is able to supply the means demanded for the establishment and maintenance of the necessary scientific apparatus. But in many branches of social science, ethnology and archaeology and others, the scientific apparatus of investigation has become ever more comprehensive and expensive. Because of this, science becomes ever more and more an unremunerative occupation, by which a man cannot live and to which only those people can devote themselves who are paid by the State unless they have been very fortunate in the choice of their parents—or of their wives. Attainment of the necessary preliminary knowledge for productive scientific activity demands again a great and ever increasing amount of money. So it is that science is more and more

monopolized by the governmental powers and the possessing classes.

At the very least a proletarian regime can abolish the conditions which hamper scientific activity at present. It must formulate its educational system, as was previously pointed out, so that each genius will have within his reach all the knowledge that the social educational system has at its disposal. It will increase enormously the demand for educated people, and therewith also for the power of scientific investigation. Finally it will operate through the abolition of class antagonisms to make the investigators in the sphere of social science, where employed by the State, internally and externally free. So long as there are class antagonisms there will be very different standpoints from which society will be observed. There is no greater hypocrisy or self-deception than the talk about an existing science which is above class antagonisms. Science exists only in the heads of investigators and these are the products of society and cannot get out of it or reach above it. Even in a socialist society science will be dependent upon social conditions, but these will then at least be uniform and not antagonistic.

Even worse than the internal dependence upon social conditions, from which no investigator can free himself, is the external dependence of many of those from governmental or other dominating institutions, for example,

clerical. These compel the intellectual workers to direct their views according to those of the governing classes and will not permit them to investigate freely and independently, and it compels them to seek in a scientific manner for arguments that will justify the existing order and repel the aspiring classes. So the class dominion operates directly to demoralize science. The intellectual workers will have every reason to breathe freer when the proletarian regime sweeps away the direct and indirect dominion of the class of capitalists and land owners. The intellectual life so far as it is connected with education has nothing to fear and everything to hope from the victory of the proletariat.

How is it, then, with the production of intellectual commodities? In this connection we will first study individual production. Here painting and sculpture come most prominently into consideration, together with a portion of literary writing.

A proletarian regime will no more make this form of commodity production impossible, than it will abolish the little private industry in material production. Just as little as the needle and thimble, will brush and palette, or ink and pen belong to those means of production which must under all conditions be socialized. But one thing is well possible and that is that with the cessation of capitalist exploitation the number of purchasers that heretofore constituted

the market for the commodities produced by the little artistic industry will be reduced. This will certainly not be without influence on the articles of artistic production. It will not abolish such production but only alter its character. The easel painting and statuettes which can most easily change their places and possessors, that can be placed wherever we wish, are the special form of commodity production in art. They include those forms of artistic work that can easiest take the form of commodities, which, like jewelry, can be accumulated and stored either for the purpose of re-selling at a profit or to hoard as treasures. It is possible that their production for the purposes of sale will find many obstacles in a socialist society. But in place of these, other forms of artistic production will appear.

A proletarian regime will immensely increase the number of public buildings. It will endeavor to make attractive every place occupied by the people, whether for labor, for consultation, or for pleasure. Instead of accumulating statuettes and pictures that will be thrown into a great impersonal market from whence they finally find a place utterly unknown to the artist and are used for wholly unthought of purposes, the artist will work together with the architect as was the case in the Golden Age of art in Athens under Pericles and in the Italian Renaissance. One art will support and raise the other and artistic labor will

have a definite social aim so that its products, its surroundings and its public will not be dependent on chance.

On the other side the necessity to produce artistic works for sale as commodities will cease. Above all there will no longer be need to offer individual labor for profit or as wage labor, or for the production of commodities.

I have already pointed out that a proletarian regime would endeavor, as is perfectly evident from the standpoint of the wageworker, to shorten the labor time and raise the wages. I have also shown to how high a degree this can be done, particularly in the line of highly developed capitalist production, simply through the concentration of industry in the most perfect centers of production and through the most perfect utilization of these most perfect industries. It is by no means fantastic to conclude that a doubling of the wages and a reduction of labor time to half of the present one is possible at once, and technical science is already sufficiently advanced to expect rapid progress in this field. The further one goes in this direction the more the possibility increases for those who are engaged in material production to give themselves up also to intellectual activity and especially to those forms that bring no material gain, but rather find their reward in themselves and which are the highest forms of intellectual activity. The greater increased leisure may in part, indeed in overwhelming part,

lead to pure intellectual *enjoyment.* With the talented the creative genius will be free and the union of material with artistic literary and scientific production will be made possible.

This union, however, will not be simply possible. It will be an *economic necessity.* We have seen that a proletarian regime must aim to make culture a universal good. If we should seek to extend culture in the present sense of the word it would end in making the growing generation useless for material production and hence would undermine the foundations of society. To-day the social division of labor is developed in such a manner that material and intellectual labor are well-nigh mutually exclusive. Material production exists under such conditions that only the few who have been favored by nature or by special conditions are able to engage in the higher intellectual labor. On the other side intellectual labor as it is carried on to-day makes those who follow it incapable of and disinclined toward physical labor. To give culture to all mankind under such conditions would simply make all material production impossible because then no one would be found who could or would carry it on. If we are to make the higher intellectual culture a common good without endangering the existence of society, then not simply pedagogical but economic necessity demands that this be done in such a manner that the growing generation will be made familiar in schools not simply

with intellectual but also with physical labor and the habit of uniting intellectual and material production will be firmly rooted.

The proletarian regime must proceed from two directions to secure the union of material and intellectual production and to free the latter in the mass of the population from its present material fetters. On the one side this must be done through the continuous shortening of the labor time of the so-called hand laborers. This will come as a result of the increasing productivity of labor whereby more time will be continuously granted for intellectual labor to those engaged in material production. On the other side this will be accomplished by an increase of the physical labor of the cultured, an unavoidable result of the continual increase in numbers of the latter.

It is, however, plain that with this union, physical labor for gain and for the necessary labor in the interest of society, and intellectual labor for the free exercise of personality would be freed from every social compulsion. For intellectual labor is much more incompatible with such compulsion than physical. This liberation of intellectual labor by the proletariat is not the pious wish of the Utopian but the economically necessary consequence of its victory.

Finally we must observe the third form of intellectual production—that which is capitalistically exploited. Since the first of these

three forms of intellectual production includes mainly science and the second the fine arts, so what we have to say now applies to the utilization of all spheres of intellectual activity, but particularly, however, to the heroes of the pen and the stage, to whom now stand opposed as capitalist directors of industry, the publishers, periodical owners and theater directors.

Capitalist exploitation in such a form is impossible of continuance under a proletarian regime. It rests, however, upon the fact that to get even a questionable intellectual production to the public requires an expensive technical apparatus and extensive co-operative powers. The individual cannot here act for himself. Does that, however, not mean that here again the alternative to capitalist industry is national industry? If this is so, must not the centering of so great and important a part of the intellectual life in the State threaten in the highest degree that intellectual life with uniformity and stagnation? It is true that the governmental power will cease to be a class organ, but will it not still be the organ of a majority? Can the intellectual life be made dependent upon the decisions of the majority? Would not every new truth, every new conception and discovery be comprehended and thought out by the insignificant minority? Does not this new order threaten to bring at once the best and keenest of the intellectual thinkers in the various spheres into continuous conflict with

the proletarian regime? And even if this creates increased freedom for the artistic and scientific development would not this be more than offset by the fetters that it will lay upon the intellectual activity when this can only be pursued by social means? Here is certainly an important but not an insoluble problem.

We must first notice that as for all production so also for the social necessities of intellectual production the *State* will from the beginning not be the only leading and means-granting organ which will come into consideration, but there will also be *municipalities*. Through these alone all uniformity and every domination of the intellectual life by central power is excluded. As another substitute for the capitalist industry in individual production, still other organizations must be considered; those of *free unions* which will serve art and science and the public life and advance production in these spheres in the most diverse ways, or undertake them directly as even today we have countless unions which bring out plays, publish newspapers, purchase artistic works, publish writings, fit out scientific expeditions, etc. The shorter the hours of labor in material production and the higher the wages the more will these free unions be favored. They must increase in numbers, in enthusiasm and in the intelligence of their members as well as in the resources which the intellectuals can contribute to support the common cause. I

expect that these free unions will play an even more important role in the intellectual life. It is their destiny to enter into the place now occupied by capital and individual production and to organize and to lead the social nature.

Here also the proletarian regime leads not to greater bondage but to greater freedom.

Freedom of education and of scientific investigation from the fetters of capitalist dominion; freedom of the individual from the oppression of exclusive, exhaustive physical labor; displacement of the capitalist industry in the intellectual production of society by the free unions,—along this road proceeds the tendency of the proletarian regime in the sphere of intellectual production.

We see that the problems in the field of production are of a contradictory nature. The capitalist system of production has created the task of formulating the social process of production in a simple and systematic manner. This task consists in placing the individual in a fixed order to whose rules he must conform. On the other side this same manner of production has more than ever brought the individual to a self-consciousness, placed him on his own feet and freed him from society. More than ever mankind demands to-day the possibility of developing a personality and its relation to other men in order to determine in the freest manner the more sensitive and individual of these relations, especially the marriage rela-

tion, but also their relation as artists and thinkers to the external world.

Regulation of social chaos and liberation of the individual—these are the two historical tasks that capitalism has placed before society. They appear to be contradictory, but they are simultaneously soluble because each of them belongs to a different sphere of social life. Undoubtedly whoever should seek to rule both spheres in the same manner would find himself involved in insoluble contradictions. It is on this point that anarchism is wrecked. Anarchism arises out of the reaction of the little bourgeois against the repressive and oppressive capitalism. The little handworker who was accustomed to direct his labor according to his own pleasure rebels against the discipline and the monotony of the factory. His ideal remains the free labor of the individual and when this is no longer possible he seeks to replace it by common working together in free unions wholly independent of each other.

The "new middle class," the intellectuals, is, as we have already seen many times, in its social position only a refined and more sensitive expression of the earlier little bourgeois. Its manner of working develops in them the same need for free labor, the same repugnance to discipline and uniformity. So it is that their social ideal becomes the same as that of the small bourgeois, that is the anarchist. But that which is a progressive ideal in their sphere

of production shows itself to be reactionary in the field of material production where it corresponds to the conditions of production of the now extinct hand work.

In the present stage of production there are only two possible forms of *material production* so far as production in quantities is concerned, aside from a few remnants which are mainly curiosities: on the one side *communistic* with social property in the means of production, and the systematic direction of production from a central point, or the *capitalistic*. The anarchistic system of production can, under the best conditions, be only a transitory episode. Material production through free unions without central production leads to chaos unless the commodities produced exchange on the basis of the law of value determined by free competition. We have seen above what the consequence is for individual industry under free competition. It determines the correct proportionality of individual means of production to one another and prevents any one from swamping society with buttons or leaving it without bread. Production of commodities under the present conditions of social production must continuously take on some form of capitalist production, as countless productive co-operatives have shown. To strive for an anarchist ideal in material production is at best a Sisyphus task.

It is wholly different with intellectual production. This is built upon material produc-

tion, on the surplus of products and labor powers which proceed from material production. It is possible only when material life is secured. If the latter falls into confusion then our whole existence is threatened. Consequently it is absolutely unimportant for society in what relations the existing surplus of products and labor powers are applied to the individual fields of free intellectual creation. The exception to this is the educational system which has its special laws, and has not yet been turned over to free competition in any society, but has been socially regulated. Society would fall into bad condition if all the world should set to work at the manufacture of one kind of commodities such, for example, as buttons, and thereby direct too much labor power to this, so that not enough was left for the production of others, such, for example, as bread. On the other hand the relation between lyric poems and tragedies, works on Assyriology and botany which are to be produced is no essential one; it has neither maximum nor minimum point. If to-day there should be twice as many dramas as yesterday, and at the same time one-half as many lyrics, or if to-day twenty works on Assyriology should appear and only ten Botanical, while yesterday the relations were reversed, still the existence of society would not be touched in the slightest thereby. These facts find their economic expression in that the law of value, in spite of all psychological theories of value, only holds good

for material production and not for intellectual. In this field a central direction of production is not only unnecessary, but absolutely foolish. Here free production can rule without the necessity of production of commodities of value or of capitalist production.

Communism in material production, anarchism in the intellectual. This is the type of the socialist productive system which will arise from the dominion of the proletariat or, in other words, out of the social revolution by the logic of economic facts whatever may be the wishes, ideas and theories of the proletariat.

THE PRELIMINARY PSYCHICAL CONDITIONS TO THE DOMINION OF THE PROLETARIAT.

It will have occurred to very many readers that in this investigation I have spoken only of economic conditions. I have not investigated what are to be the ethical foundations of the new society, whether they shall rest upon Kantian or Spencerian, upon the categorical imperative, or whether the greatest good to the greatest number shall be the principal motive. I have not investigated which of the above theories shall constitute the juridical foundation, whether the right to the complete product of labor, or the right to existence, or some other one of the fundamental economic rights which the judicial socialists have discovered. No doubt laws and ethics will play a part in the

social revolution, but the determining factor will always be the demands of economics.

But beside law and ethics psychology also comes into consideration. Will not problems arise therefrom for the proletarian regime and those of great significance? Does not the socialist society presuppose extraordinary people, actual angels in unselfishness, joy in labor, and intelligence? Will not the social revolution with the present race full of egoism and brutality be the signal for a raging battle for spoils or lead to a universal idleness? All transformations of economic foundations amount to nothing so long as mankind is not ennobled.

The treatment and the text are not new. They were sung a hundred years ago as the song arose of the crushed oppressed classes. The gentle landlords of the Holy Alliance would gladly have given their beloved children all possible freedom, but these children must first attain the necessary ripeness.

I do not intend to deny that every system of production demands certain definite technical and also psychological preliminary conditions in order to enable it to be realized. What shall be the necessary forms of these psychological conditions of a given manner of production depends upon the character of the economic tasks which it sets forth.

No one will claim that in my investigation I have presupposed mankind of an angelic character. The problem that we have to solve pre-

supposes *intelligence, discipline* and *talent for organization.* These are the psychological foundations of a socialist society. Those are just the ones that the capitalist society has created. It is the historical task of capital to discipline and organize the laborers, and to widen their intellectual horizon beyond the boundaries of the workshop and the church door.

For socialism to rise on the basis of hand work or agricultural industry is impossible, not simply on economic grounds because of the low productivity of industry, but also for psychological reasons. I have already shown how small bourgeois psychology inclines towards anarchy and opposes the discipline of the social industry. It is one of the greatest difficulties that capital meets in the beginnings of capitalist production, in that it must take its first laborers directly from hand work or from agriculture. It had to fight with this in the eighteenth century in England and to-day in the Southern States of America which renders very difficult the rapid advance of the great industry notwithstanding the nearness to raw materials greatly favors such industry.

Not discipline alone but also the talent for organization is difficult of development in little bourgeois and agricultural positions. There are no great bodies of men to be united in systematic co-operation. On this economic stage it is only the soldiers who offer the opportunity to organize in great bodies. The great gen-

erals are also great organizers. Capitalist production transplants the task of organization of great masses of the community to industry. The capitalists constitute naturally the head people, the field generals of those who are under them and become prominent factors in organization. Correspondingly the organizing talent in its appointees is very highly valued and rewarded by capital. Under these conditions the organizing talent grows rapidly. It can be applied equally well to the uses of a proletarian regime that will also need numerous directors of factories and organizers of trusts.

Capital also demands intelligent labor power, so we see that the competitive struggle above all enforces the betterment of the industrial school. On the other side the development of industry and the existence of newspapers contributes to extend the intellectual horizon of the laborer.

But not alone the pressure of capital in the exploitation of great bodies of labor, but the struggle of the proletarian against this exploitation develops the psychological conditions for socialist production; it develops discipline in every way, as we have already seen, of a wholly different character and from that given capital, and this struggle develops also a talent for organization, for it is only through the unanimous co-operation of the great body of mankind that the proletariat can assert itself against capital and the capitalist state. Organization

is the most important weapon of the proletariat and nearly all its great leaders are also great organizers. To the money of capital, and the weapon of the military States, the proletariat has nothing to oppose save its economic indispensability and its organization. That its intelligence grows with these and through these needs no proof.

The social revolution requires high intelligence, strict discipline and complete organization of this great mass and these must exist simultaneously with and be indispensable to economic life if it is to attain strength to overcome so extremely powerful an opponent. We may expect that it will only succeed when these peculiarities are developed in the highest degree and also that the victory of the proletariat and therewith the social revolution will not come before not only the economic but also the psychological conditions to a socialist society are present in a high degree. This does not mean that mankind should be angels nor that we shall need to wait so very long for its psychological ripeness.

While the modern proletariat has need of no great change in order to make it ripe for socialist society, nevertheless we may expect that this society will greatly alter the character of mankind. That which is demanded as a *preliminary condition* to a socialist society, and which the capitalist society makes impossible, and which would be therefore the most impos-

sible preliminary condition, that is, the creation of a higher type of mankind than the modern one, that will be the natural *result* of socialism. It will bring security, rest and leisure to mankind; it will raise their minds above the commonplace because they will no longer need to continuously think of where the bread for the morrow is to come from. It will make personalities independent of other personalities, so that the feeling of slavery as well as of human adoration will disappear. It will at the same time create a balance between country and city, make the treasures of the cultured rich attainable to all mankind and give back to them the nature which arises from the strength and joy of living.

Simultaneously with the abolition of the physiological roots of pessimism it will do away with the social ones also, together with the misery and degradation of the one who makes a virtue of necessity, and the satiety of the other who in idle luxury has drained the cup of enjoyment even to the dregs.

Socialism will abolish poverty and satiety and unnaturalness, make mankind joyful, appreciative of beauty, capable of happiness, and thereby it will bring freedom in scientific and artistic creation for all.

May we not expect that under such conditions a new type of mankind will arise which will be far superior to the highest type which culture has hitherto created? An over-man

(Uebermensch), if you will, not as an exception but as a rule, an over-man compared with his predecessors, but not as opposed to his comrades, a noble man who seeks his satisfaction not by being great among crippled dwarfs, but great among the great, happy among the happy —who does not draw his feeling of strength from the fact that he raises himself upon the bodies of the down-trodden, but because a union with his fellow-workers gives him courage to dare the attainment of the highest tasks.

So we may expect that a realm of strength and of beauty will arise that will be worthy the ideal of our best and noblest thinkers.

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